

The roles of the assigned expatriate manager in multinational
companies: reviewing the application of existing theoretical
frameworks to the operationalisation of expatriate functions in
foreign subsidiaries

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Abstract

The purpose of this thesis is to examine the functions that assigned expatriate (AE) managers perform within the foreign subsidiaries of multinational companies (MNCs). Its primary objectives are to explore the extent to which existing theoretical frameworks on expatriate functions adequately capture and explain the way in which managers' roles are operationalised while on assignment. To do this, a qualitative research design was used to identify the roles performed, the motivation behind these, and the inter-relatedness and operationalisation of these roles at a local subsidiary level.

A matched case study approach was undertaken to identify potential organisational and institutional-level influences, which might have helped to shape the use of international management assignments. Four MNCs, two originating from the US and two from Spain, made up the main case study organisations, while eighteen MNCs from a range of countries, (E.g. France, India, Germany, Japan, Denmark) were utilised as minor case studies to further inform the findings from the major case study organisations. In total, fifty-one semi-structured interviews were gained from AE managers, and the global mobility managers (GMMs) and human resource directors (HRDs) who organised international assignments within the chosen MNCs.

The results of the multiple case study approach confirmed that the primary reasons for assigning managers to foreign subsidiaries were knowledge transfer, management development, coordination and control as stated by Edstrom and Galbraith's (1977). In addition to this, it also confirmed the multifaceted and messy nature of these assignments, with AE managers performing several functions at once to fulfil varying individual-, business- and organisation-level (Hocking et al., 2004) objectives and priorities. Each individual assignment was found to be unique, with varying combinations of the three expatriate functions outlined by Edstrom and Galbraith pursued within any single management assignment. The combination of functions performed was found to be shaped by varying environmental-, organisational- and individual-level motivations and objectives. At the organisational level, the formation of regional structures was identified as a key factor influencing increased horizontal movement of AE managers between specific subsidiary units, particularly for the purposes of knowledge transfer and coordination purposes. Finally, regarding how AE managers fulfilled their functions within the local subsidiary, this study has

identified several micro-level activities, or 'role processes' (Hocking et al., 2004), based on an analysis of the data. Based on the past literature and the findings of this current study, several role processes have been identified and include translator, mentor, apprentice, investigator, internal negotiator, fire-fighter, ambassador, and networker.

DECLARATION

This is to declare that:

**This work has been written and submitted by myself and I take all responsibility for its contents.
This dissertation is original, hence has not been previously submitted at any other university.**

Signature:

Date:

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CHAPTER 1: INTRODUCTION

The use of international assignments is a crucial staffing strategy within multinational companies (MNCs) as these global employees facilitate the implementation of global programs, strategies and best practices (Bartlett and Beamish, 2011; Reiche, 2012; Collings, 2014; Peng and Beamish, 2014). Studies have shown that expatriate managers are key to disseminating knowledge, developing global managers, and maintaining subsidiary control across the globe (e.g. Edstrom and Galbraith, 1977; Harzing, 2001, Minbaeva and Michailova, 2004). Thus, they hold significant implications for the overall performance of subsidiaries. The HRM and International Business literature is filled with several studies examining expatriate assignments in foreign subsidiaries (e.g. Harzing, 2001a, 2001b, Paik and Sohn, 2004; Hocking et al., 2004). These include articles focussed on expatriate career and adjustment (e.g. Black and Stephens, 1989; Shaffer et al., 1999; Caliguiri et al. 2001), and those focussed on the functions that these employees perform within the multinational setting (Edstrom and Galbraith, 1977; Harzing, 2001b; Bonache and Brewster, 2001; Hocking et al, 2004). Regarding the latter, while several studies have sought to examine the functions that expatriates perform individually (Kopp. 1994; Makela and Brewster, 2010; Reiche, 2012), there are only a few studies which sought to offer theoretical guidance on the strategic nature of these functions simultaneously (e.g. Edstrom and Galbraith, 1977; Harzing, 2001a; Hocking et al., 2004).

Within the global business context in which expatriate managers operate, the last thirty years has seen a significant economic and political change, yet studies examining how such changes shape the use of expatriate assignments are rare. Between 1990 and 2004, growth in MNC investments, reflected in FDI levels (Hirst and Thompson, 2009; Rugman et al., 2011), have risen five-fold (UNCTAD, 2005, 2006; Dunning and Lundan, 2008a, 2008b; UN, 2008). By 2005, the world's outward foreign investment stock stood at \$10,672 billion, following a surge in cross-border mergers and acquisitions (UNCTAD, 2005, 2006). These firms are principal economic contributors, as they provide a significant source of employment (UNCTAD, 2014). Moreover, they organise and coordinate several value-added activities across national borders, and act as key agents of change, diffusing modernized production technologies across borders (Dunning and Lundan, 2008b, p.4; UNCTAD, 2005, 2007). While MNCs are key agents of change, several global developments have also impacted the nature of business and management within these organisations. New technologies, new markets, innovation and new talent are also being found in various locations around the globe and hence subsidiaries are no longer solely reliant on headquarters for resources (Rugman et al., 2011). As a result, MNCs often rely on the skills and expertise of assigned expatriate (AE) managers to not only transfer knowledge across borders but

also coordinate their global activities.

1.1. Research Questions

As the international business environment has evolved, theoretical development on expatriate functions continue to lag behind (Dabic et al., 2012). In 1977, Edstrom and Galbraith identified three key functions of international assignments, these being knowledge transfer, management development, and organisational development (control), and their typology remains the most referenced. Given the marked changes within the global business context, some of which have been identified above, there is a need for more literature which examines the extent to which this typology still adequately describes the roles that international assignees perform within the current multinational context (Hocking et al., 2004; Dabic et al., 2012). Moreover, further examination is needed at the micro-level, in order to fully understand help what factors help to shape the use of that expatriate assignments, how the above mentioned expatriate functions are fulfilled in the local subsidiary, and how the roles of individual expatriates contribute at different levels within the MNC (Hocking et al. 2004; Dabic et al., 2012; Cerdin and Brewster, 2014).

In light of the above, this study aims to answer the following research questions:

- What functions do assigned expatriate (AE) managers perform within MNCs and how are these functions inter-related?
- To what extent do existing theoretical frameworks on expatriate functions adequately reflect how these roles are undertaken by expatriate managers within the local subsidiary environment?
- How are expatriate managers' functions fulfilled within the local subsidiary?
- What factors within the MNC's environment help to shape the nature of the expatriate manager's assignment?

1.2 Aims and Objectives

Given the research questions outlined, this study will take an exploratory approach as it seeks to:

- Identify the functions undertaken by assigned expatriate managers within the UK-based subsidiaries of multinational companies from various country of origins.

- Analyse the extent to which existing theoretical frameworks on expatriate functions (e.g. Edstrom and Galbraith) adequately depict how expatriate functions occur in practice within the subsidiary context.
- Identify individual-level activities that contribute to the fulfilment of expatriate management assignments
- Explore the extent to which expatriate managers' assigned roles are shaped by individual, organisational and environmental factors within the MNC's home and or host country.

1.3. Research Contribution:

This study will contribute to theoretical advancement on the roles performed by assigned expatriate managers within MNCs. Four decades since Edstrom and Galbraith's (1977) seminal work, international developments have continued to impress upon the way MNCs organise and manage their worldwide activities. Yet, since the authors' 1977 study, there have been few studies which seek to question and analyse the extent to which this framework still reflects the functions that AE managers currently undertake (e.g. Hocking et al., 2004), as well as how global developments have impacted the nature of these roles. Also, still lacking are theoretical frameworks, which depict how these functions inter-relate and are fulfilled at a micro-level within the local subsidiary. This thesis aims to address this by exploring how expatriate functions are performed within the current MNC context, providing an in-depth examination in the micro-level activities that expatriate managers perform, and highlighting the factors that help to shape the performance and outcomes of activities.

1.4. Outline of Study

This thesis will follow the structure as outlined below:

Chapter two will outline the most relevant literature on expatriate functions in MNCs. It will examine the key theoretical frameworks on expatriate functions, and discuss the numerous factors that determine the nature of expatriate roles. Next, it will highlight the key developments within the international business arena and how this might have impacted the field of international assignments. Following this, it will examine the usefulness of existing theoretical frameworks on expatriate functions and outline key theoretical lens for analysing the roles of AE managers within the current MNCs.

Chapter three will outline the research methodology and explain the motivation behind the research design selected. It will also highlight the epistemological stance of the research and explain the rationale for using the companies chosen. Additionally, the data collection and the data analysis processes will be discussed. Finally, the ethical considerations and the limitations of the research design and study will be provided.

Chapter four, five, six, seven and eight: findings

These chapters will present the findings of the empirical investigation. The interview data collected from the four main case studies will be outlined in some detail in chapters' four to seven, while chapter eight will outline the findings from the minor case study firms. The assorted reasons that each company gave for the use of international assignments will be outlined in each of these chapters.

Chapter nine

In this chapter, the interview data presented in chapters four to eight will be discussed in some detail. Here, the research questions will be answered and discussed alongside the literature previously outlined in chapter two. The nature of expatriate managers' assignments will be explored, with consideration being given to the relevance of existing theoretical frameworks on expatriate use. Additionally, the contribution of these assignments and the way in which they are undertaken at a local subsidiary level will be further examined. Finally, the numerous factors within the MNC environment that help to shape the nature of these assignments will also be explored.

Chapter ten

The final chapter will put forward conclusions drawn from the main findings of the research, and recommendations for future research will be made.

CHAPTER 2: LITERATURE REVIEW

THE FUNCTIONS OF EXPATRIATE MANAGERS WITHIN MULTINATIONAL CORPORATION

2.1. Introduction

This chapter defines and introduces key research concepts, and discusses the main literature surrounding the function and purposes of assigned expatriate (AE) managers (interchanged with the term 'international assignee') within MNCs. Given the specific research questions and aims of the study, it will concentrate mainly on the roles of international assignees within MNCs as outlined in the International Business and HRM literature. The chapter will first define what is meant by the term 'assigned expatriate' (from here on AE) managers, and distinguish this group of expatriates from other types of expatriate assignments. Following this, it will highlight the importance of expatriate assignments within the foreign subsidiaries of MNCs, and then go on to examine the individual functions of these international assignees. The three main roles identified in Edstrom and Galbraith's (1977) seminal work, that is knowledge transfer, management development, and organisational development (later called coordination and control) will be examined. Following this, several factors identified as influencing the use of international assignments within the MNC context will be highlighted. After examining these factors, the researcher will draw attention to key developments within the international business context over the last four decades, and examine how these have influenced the MNC context, as well as expatriate use within these firms. In doing this, the researcher will then go on to further discuss and review existing typologies on expatriate functions and conclude the chapter by making a case for why further theoretical development is needed in this area of literature.

2.2. International Assignments: The Assigned Expatriate Manager

The term 'expatriate' is often used generically to describe an individual who is working outside of his or her country of origin, (Punnett, 2004; Harzing and Pinnington, 2014). While accurate, such a definition is too all-encompassing in nature for this study as it may apply to several categories of employees or workers. Recent literature has emphasized the need to differentiate between

various sub-groups of expatriates to provide clarity regarding the use of these different groups (See Cerdin and Selmer, 2014). In many instances, the term ‘expatriate’ is applied loosely and generally to individuals who work in a foreign branch of their company for a stipulated period. Suutari and Brewster (2001), however, noted that within the International Human Resource Management (IHRM) literature, the term was generally applied to instances where firms sent their employees to work outside their home country on a temporary basis (p.417). Indeed, within the arena of International Management, the word expatriate is often interchanged with ‘international transfer’ or ‘international assignee’, and generally refers to employees working abroad in one of the subsidiaries of an international firm for a limited period, usually two to five years (Edstrom and Galbraith, 1977; Harzing, 2001a, 2001b; Briscoe, Schuler and Claus, 2009). Harzing and Pennington (2011) noted the terms ‘expatriation’ and ‘expatriate’ were also frequently used to describe the international transfer of managers, however, as made clear in the previous section, this term is often used in an all-encompassing way within the business literature. Additionally, distinctions are seldom made within the literature between expatriate employees at various levels of the organisation or management. Regarding the type of expatriate, in addition to differentiating according to the length of the expatriate assignment, with longer-term expatriates being considered the more traditional assignments as opposed to shorter-term assignments (e.g. commuters, frequent-flyers), more recent studies have also differentiated along the lines of whether or not the expatriate was assigned overseas by the MNC, or whether the assignment was self-initiated (See literature on ‘Self-Initiated Expatriates’ or SIEs: Jokinen et al., 2008; Cerdin and Pargneux, 2010; Doherty et al., 2011). Given the ambiguity surrounding the use of the term expatriate, it is important in this study to adequately define and distinguish the group of international assignees being studied. It is the author's desire to consider separately the functions of international assignees who are sent on long-term assignments and occupy a management posts. Hence the term 'assigned expatriate' (AE) manager will be used to refer to the groups of expatriate managers being examined within this study. Here, an AE manager is defined as:

'An MNC employee who has been assigned by his/her company to work in a managerial position within a foreign subsidiary of that company for a period lasting more than one year.'

The above definition fits with the traditional conceptualisation of expatriates who hold senior

positions and are sent on longer-term assignments within the foreign subsidiaries of MNCs (Edstrom and Galbraith, 1977; Harzing, 2001a). However, unlike more conventional definitions of these assignees, the definition provides a clearer depiction and understanding of which group of expatriates are under investigation. It is also separate those expatriates who possess managerial authority from those who do not, while providing some indication of the level of seniority at which these international assignees might operate.

Regarding the type of expatriate manager used by MNCs, the three categories of expatriates traditionally identified in the international business literature and typically used by MNCs are Parent Country Nationals (PCNs), Host Country Nationals (HCNs) and Third Country Nationals (TCNs), (Perlmutter, 1969; Jackson, Schuler and Werner, 2008; Selmer, 1995; Gomez-Mejia and Werner, 2008; Warner, 2003; Edwards and Rees, 2006; Tayeb, 2005). Perlmutter (1969), in his seminal study, postulated that the category of expatriate most often utilized by the MNC depended on the firm's international staffing policy, which might be orientated along one of three approaches; an ethnocentric, polycentric, or geocentric approach. Along this line of thinking, a firm using an ethnocentric approach would prefer to manage their subsidiaries by placing parent country nationals in top key positions within these units, while a firm using a polycentric approach would prefer the use of HCNs in key positions over other types of international staff (Perlmutter, 1969). Alternatively, firms with a geocentric approach may seek to appoint the most suitable person for the job regardless of nationality, and hence it might make more use of TCNs than firms using the two previously mentioned strategies (Perlmutter, 1969).

In his subsequent work, Perlmutter also identified a fourth category which he termed the 'region-centric' approach (Heenan and Perlmutter, 1979), created as a response to developments within Western Europe, the region-centric approach describes when MNC employees are assigned to subsidiaries outside the parent country, but within the same region (e.g. Europe, Asia). When Perlmutter originally put forward the three approaches previously outlined (ethnocentric, polycentric, geocentric), he argued that these reflected the internationalisation stages of MNCs. Other writers have disagreed, however, noting that some firms within the later stages of internationalisation still often reflected an ethnocentric approach to international staffing (e.g. Mayerhofer and Brewster, 1996). While it was also noted that this approach was once widely used in American and European firms, some writers have indicated that global firms are becoming more interested in staffing their foreign subsidiaries with local employees, including managers and

technical staff due to pressure from local governments to develop the local workforce (Briscoe and Schuler, 2004; Cherunilam, 2007). This decision also stems from the desire to save costs, as well as the need for someone who is more familiar with the host country's local culture (Sparrow et al., 2004; Reiche et al., 2009). The choice of expatriate is also dependent on several other factors within both the parent company and the subsidiary environment. These factors will also be discussed further within this chapter. The following section will go on to discuss the reasons for which expatriate managers are assigned to foreign subsidiaries.

2.3. Expatriate Functions in MNC Subsidiaries

In their landmark 1977 study, Edstrom and Galbraith identified the three main reasons for the initialisation of international assignments within four European MNCs. These reasons were knowledge transfer, management development and organisational development (control). Although these researchers were not the first to recognise the importance of relocating employees globally, particularly to address issues of agency (See Jensen and Meckling, 1976; Moore and Lewis, 1999, p.66-67), their study was significant as it provided a framework for analysing the strategic use of international assignments within MNCs (Collings et al, 2007), and stimulated further research into expatriates' roles within MNCs. Also, by categorizing their functions, they drew attention to expatriates' role in knowledge diffusion and, consequently, organisational development. To date, this seminal work on expatriates' foreign roles has remained the most quoted typology on expatriate functions, with much of studies on expatriates quoting the roles of international assignees identified within this 1977 framework (e.g. Boyacigiller, 1990; Gupta and Govindarajan, 2000; Harzing 2001; Paik and Sohn, 2004; Hocking et al., 2004; Reiche, 2012). It was one of the few studies on expatriation that sought to provide theoretical groundwork, explaining the purposes of using expatriates within MNCs, rather than just a descriptive account of what expatriates do within foreign subsidiaries. Other studies which followed suit included Boyacigiller (1990), who examined the different environmental and organisational factors that explained differential usage rates of US expatriates, and Harzing (2001a) who delineated between different types of expatriate control. In the latter study, a number of German studies conducted between the early eighties and nineties and which examined expatriate functions were also highlighted. The three individual functions identified by Edstrom and Galbraith will now be examined individually.

2.3.1. Knowledge Transfer

Edstrom and Galbraith (1977), in their study of four European MNCs, observed that international assignees were sent to foreign subsidiaries to fill positions that could not be filled at a local level. Since the authors identified expatriates as a means of filling such vacancies, several academics have further recognized and explored the critical role that international transfers play in the diffusion of knowledge within the context of the globalizing firm (Ondrack, 1985; Torbiorn, 1994; Welch, 1998; Delios and Bjorkman, 2000; Harzing, 2001a; Bonache and Brewster, 2001; Ruisala and Suutari, 2004; Bonache and Zarraga-Oberty, 2008; Fang et al. 2010; Chang et al. 2012; Harzing et al., 2013). Among these were Bartlett and Ghoshal (1995: 87) who described expatriates as an important vehicle for knowledge transfer in transnational organizations. Similarly, Harzing (2001a), based on her research on expatriate use in MNCs, suggested that the diffusion of knowledge within foreign subsidiaries was perceived as the primary motivation for expatriate use. Among the main reasons cited for this was the emergence of a new, more complex type of global organization, often referred to as 'transnational', where the emphasis was on global efficiency, national responsiveness and using worldwide innovations and learning to the company's advantage (Barlett and Ghoshal, 1998, p.) To achieve this, it was often necessary to supplement formal mechanisms with more informal and subtle managerial tools such as social information networks and inter-unit communication channels to ensure organisational strength (Martinez and Jarillo, 1980; Minbaeva and Michailova, 2004) How expatriates can contribute to the creation of such systems will be more easily understood with a clear understanding of what is meant by organisational knowledge transfer.

Knowledge held within organizations was described by Kogut and Zander (1993) as the way in which certain activities are undertaken (p.520). A more comprehensive definition, however, was offered by Kostova (1999), who defined this phenomenon as the "particular ways of conducting organizational functions that have evolved over time under the influence of an organization's history, people, interests and actions, and that have become institutionalized in the organization" (p. 309). Knowledge transfer, on the other hand was defined by Argote and Ingram (2000: 150) as the process through which one unit (e.g. a group, department, division) was affected by the experience of another, and is believed to materialize through changes in employees' performance or increase in departmental expertise. According to knowledge-based theorists, MNCs sought to

disseminate various knowledge systems capable of transferring and taking advantage of knowledge on a global scale (e.g. Kogut and Zander, 1993; Nonaka, 1994; Grant, 1996; Almeida et al., 2002). Others agreed that the internationalization strategies of these firms were indeed tied to their ability to transmit relevant knowledge to their foreign subsidiaries (Gupta and Govindarajan, 2000). Some knowledge could be expressed explicitly, that is using written words and numbers, and disseminated in the form of hard data, manuals, codified and universal procedures and principles, by utilizing emails, company reports, visits and various technological mechanisms (Polanyi, 1962; Nonaka, 1994; Suutari and Brewster, 2000). Such means, however, are not as effective when seeking to transfer tacit knowledge; that is the knowledge embedded in employees' experiences and skills and which is assessed primarily through application (Polanyi, 1962). To achieve the transfer of such knowledge across units, MNCs often sent expatriates to their foreign subsidiaries (Edstrom and Galbraith, 1977; Bonache and Brewster, 2001).

When used for this purpose, expatriates, often top-level PCNs (Harzing, 2001), either transmit knowledge from the parent company to the subsidiary, or act as agents for the acquisition of host country knowledge (Delios and Bjorkman, 2000). By transferring technical and managerial skills from both their personal experiences and individual knowledge base, it is believed that expatriates aid in the improved performance of foreign subsidiaries (Tung, 1982; Kobrin, 1988; Delios and Bjorkman, 2000; Minbaeva and Machailova, 2004; Reiche, Kraimer and Harzing, 2009; Makela and Brewster, 2009). Ruisala and Suutari (2004), in their study concerning expatriates' involvement in knowledge transfer within Polish companies, identified seven types of knowledge, including the transfer of management knowledge, product network or service knowledge, cultural knowledge, HRM knowledge, sales and marketing knowledge, accounting or finance knowledge, and technical and production knowledge (p.755). With the acquisition of new knowledge, changes may become apparent in the execution of various input, throughput and output processes such as purchasing skills, product design or market know-how (Argote and Ingram, 2000; Bonache and Brewster, 2001; Hocking et al., 2004; Chang et al., 2012). This causal change, however, is often difficult to measure as it may also be influenced by additional factors within the organization or unit. Moreover, as many MNCs lacked systematic knowledge management processes, measuring or seeking to standardise the return on investment of individual expatriate knowledge transfer is hard to achieve (Ruisala and Suutari, 2004).

In the past, expatriate knowledge transfer from headquarters to subsidiary was seen as being fulfilled primarily through position-filling in order to substitute for the lack of competencies and skills held by local staff in developing countries (Edstrom and Galbraith, 1977). However, several studies have indicated that expatriates were also utilized for knowledge transfer outside this context for other practical and strategic reasons (Bonache and Brewster, 2001; Bonache, Brewster and Suutari, 2001; Hocking et al., 2007; Choi and Johansen, 2012). As multinational companies (MNCs) expand their international operations, they create more opportunities for innovation and learning by exposing the company to latest ideas, cultures and experiences. Tallman and Fladmoe-Lindquist (1991), among other proponents of the Resource-Based View (Wernerfelt, 1984; Barney, 1991; Grant, 1996; Kostova, 1999), believed that such opportunities could be used to generate even more knowledge that complements and assists existing organizational knowledge. In doing this, there is a great chance that MNCs can discover and develop a sustainable competitive advantage (Zander and Kogut, 1995; Grant, 1996; Minbaeva and Michailova, 2004). Expatriate knowledge transfer has also been associated with the improvement of communication channels and coordination between MNC headquarters and their foreign units (Hocking et al., 2007). For this reason, some writers have noted that it is virtually impossible to separate this function from the expatriate coordination and control function (Tung, 1982; Hocking et al., 2004; Reiche, 2011). Indeed, Minbaeva and Michaelova (2004) stated that the knowledge transfer function of expatriates was complementary to their coordination and control function, which will be explained further in this chapter.

Although it has been stated that expatriates play an integral role in the transmission of knowledge across borders (Barlett and Ghoshal, 1995; Cerdin, 2003; Reiche, 2011), several factors determine whether these individuals will be utilized by the MNC for this purpose (Bonache and Brewster, 2001). One such factor is the nature and characteristics of the knowledge to be transferred (Nelson and Winters, 1982). Kogut and Zander (1993) believe that knowledge was measured via three specific attributes, these being codifiability, teachability and complexity. Whereas explicit knowledge could be easily taught, codified and transmitted via physical documentation such as manuals and/or written policies, tacit knowledge tends to be rooted in individual experience and only revealed through application, thus making the transfer process more complex (Grant, 1996a). The work of Brewster and Bonache (2001) found that the nature

of the knowledge to be transferred significantly impacted the shaping of expatriate policies. This study helped to shed light on why some MNCs utilized expatriates outside of less developed nations where skilled local individuals were present and also why some expatriates were sent out in teams.

The context in which the knowledge is transferred was also highlighted as a key determinant of whether expatriates would be utilized for the knowledge transfer process. Kostova (1999) stated that knowledge did not take place in a social vacuum but was embedded into the social, organizational and relational context. As a result, smooth transmission of knowledge from headquarters (HQ) to foreign subsidiaries was susceptible to regulatory, cognitive or normative elements within the home or host environment (Kostova, 1999). Several writers describe such challenges as 'stickiness factors' (Szulanski, 1996; Teece, 1997; von Hippel, 1994; Ruisala and Suutari, 2004), that is those difficulties associated with the transfer of knowledge within organisations. The social context referred to those country level effects that either facilitated or inhibited successful knowledge transfer (Hofstede, 1980; Adler, 1995). The way in which such social factors exerted their effect is encapsulated in the work of 'new institutionalist' theorists (Powell and DiMaggio, 1991; Scott, 1995; Scott, 2001) who postulated that established norms, rules and structures were used as guidelines for social behaviour. The organizational context referred to the internal corporate environment and culture, which profoundly impacts on company practices, values and ultimately employment policies and decisions. For example, Bonache and Brewster (2001) explained that international assignments are governed by the type of internationalization strategy employed by an MNC, which in turned guided their decisions regarding knowledge transfer between foreign units. The relational context, on the other hand, pertained to existing relationships between those involved in the transfer process, namely the source of the transfer and the recipient (Kostova, 1999). To ensure knowledge transfer, several individual exchanges between the parties involved are necessary. However, the quality of these exchanges can either promote or obstruct successful transmission. For example, past research has highlighted the value of daily interpersonal interaction in facilitating the knowledge transfer process (Hitt et al., 2005).

The absorptive capacity and disseminative capacity of those individuals involved in the knowledge transfer process also helped to determine the extent to which knowledge would be

transferred successfully (Szulanski, 1996; Gupta and Govinderajan 2000). Minbaeva et al. (2003) defined absorptive capacity as “the ability and motivation to receive new knowledge” (p.589). Disseminative capacity, on the other hand, was described as an individual’s ability and motivation to transfer knowledge when needed (Minbaeva and Michailova, 2004, p.668). It was important that the knowledge transfer participants were able to adequately understand and absorb the organisational know-how and skills that they were expected to transfer. Often expatriates’ expertise in a particular functional or managerial area was used as an indicator of their absorptive capacity (Szulanski, 1996; Chang, Gong and Peng, 2012), whereas indicators of their motivation might include their expressed interest to undertake the particular assignment, and willingness to address challenges in the subsidiary knowledge transfer process.

The above individual and contextual influences on the nature of knowledge transfer have led to attention being drawn to the translation of knowledge across subsidiaries (Tsui-Auch, 2001; Feely and Harzing, 2003; Saka, 2004; Sorensen, 2005; Barner-Rasmussen and Bjorkman, 2007; Piekkari et al., 2014). Choi and Johanssen (2012) noted that while knowledge transfer referred to the diffusion of knowledge from one location to another, knowledge translation described the adaptation and use of knowledge in a new cultural or organisational context (p.1). Often, such adaptation led to what some writers referred to as the ‘hybridisation’ of headquarter practices (Ferner 1997, 2000; Tolliday et al., 1998, p.4). Within this context, expatriates often acted as moderators or conduits in order to address the obstacles experienced when translating tacit knowledge (Black, Mendenhall, and Oddou, 1991; Doz, Santos, & Williamson, 2000). Such translation involved the adaptation or interpretation of language and cultural concepts or values in different subsidiary environments. Feely and Harzing (2003) noted that expatriates often acted as ‘language nodes’ in order to facilitate the smooth verbal exchange of knowledge and integrate several organisational groups. Their ability to do this was often indicated by the level of cultural intelligence possessed by the individual assignee (Elenkov and Manev, 2009). In addition to the above-mentioned studies, the boundary spanning literature offers further insight into expatriates’ bridging role in the knowledge transfer process.

Knowledge Transfer: Expatriates as Boundary Spanners

Scholars have also drawn attention to the boundary spanning nature of expatriates’ functions

within foreign subsidiaries (e.g. Ancona and Caldwell, 1992; Caligiuri, 1997, Au and Fakuda, 2002). Scott (1995) defined boundary spanning as those activities undertaken by individuals within organisations, to bridge external needs and provide information for internal users. Au and Fakuda (2002) applied this to the international context by broadly describing this activity as ‘the amount of cross-boundary information that managers exchange’ (p.286). Existing research on this phenomenon indicated that a ‘boundary spanner’ is required to be an ‘ambassador’ for the organisation, representing its interest to customers, create and sustain interpersonal bonds with host unit employees, transfer crucial information to key subsidiaries, and act as conduits for resource acquisition (Aldrich and Herker, 1977; Ancona and Caldwell, 1992; Caligiuri, 1997; Ancona and Caldwell, 1992; Johnson and Duxbury, 2010; Barner-Rasmussen et al., 2014). When they act in this capacity, expatriate managers facilitate the exchange of knowledge across MNC internal boundaries, by creating links between previously disconnected actors (Burt, 1992; Kostova and Roth, 2003).

Literature in the boundary spanning field has offered insight into how expatriates’ various functions might be undertaken within the local subsidiary environment. Indeed, there is a growing body of studies which seek to empirically investigate the day-to-day activities undertaken by expatriate managers acting in this capacity (e.g. Callister and Wall, 2001; Kostova and Roth, 2003; Richter et al., 2006; Johnson and Duxbury, 2010). The work of Ancona and Caldwell (1992), although focussed mainly on the activities of research and development (R and D) teams and limited to activities occurring at inter-organisational boundaries, offered some insight into what Katz and Kahn (1966) described as managers’ adaptive function. Their typology divided the boundary spanning activities of these teams into four distinct categories; ambassador, scout, task coordinator, guard (Ancona and Caldwell, 1992). As an ambassador, the team was expected to procure resources and protect their teams from external threats. The ‘scout’ was expected to survey the external environment for new information and ideas pertaining to the competition, the market and or new technology (Ancona and Caldwell, 1992). The role of the task coordinator, on the other hand, was to undertake specific interactions aimed at coordinating technical or design issues. Similar roles were also identified by Johnson and Duxbury (2010) whose study sought to examine individual-level boundary spanning activities of expatriates. Based on several interviews with Canadian diplomats, these authors outlined nine dimensions of

expatriate boundary spanning roles, which included relationship-building, shaping, intelligence gathering, delivering, coordinating/negotiating, guarding, information gathering, representing, and intermediary (p.34). Having looked at many of these studies, Barner-Rasmussen et al. (2014) synthesized the roles of boundary spanners into four key roles, these being exchanging, linking, facilitating and intervening. These studies, although focussed on transactions between expatriate managers and external agents, provide further understanding into how expatriates' knowledge transfer and control roles might be inter-related, and how such functions might occur within local subsidiaries. Barner-Rasmussen et al.'s (2014) study also pointed towards what characteristics (e.g. cultural skills) that might be required by assignees who are expected to fulfil such functions. The following section will go on to examine expatriates' management development function.

2.3.2. Management Development

Expatriation has also been identified as a key management development tool, which increases employees' professional skills and capabilities by exposing them to various situations, tasks and challenges (Edstrom and Galbraith, 1977; Berthoin Antal, 2000; Caliguiri and Di Santo, 2001; Dowling et al., 2008; Dowling, Welch and Schuler, 1999; Black et al, 1999a, 1999b; Brake, 1997; Forster, 2000; Evans et al.2002; Gregersen et al., 1998; Briscoe and Schuler, 2004). Traditionally, employees within an international firm would be appointed to positions in foreign subsidiaries for a period of time, usually two years, in order to learn how to operate efficiently in a different cultural context (Edstrom and Galbraith, 1977; Scullion and Pauwe, 2004; Dowling et al., 2008). In many cases, employees also volunteered for such assignments as it is believed that these aided in career progression (Linehan and Scullion, 2008; Dowling et al., 2008). International assignments often acted as an appropriate training environment for future organisational leaders to develop greater knowledge and skills that could be later operationalised for the benefit of the firm (Temporal and Burnett, 1990; Oddou, Mendenhall and Ritchie, 2000). Indeed expatriation provided an opportunity for managers to gain knowledge through experience (Kolb, 1984), which led to what Argyris and Schon (1978) referred to as single-loop and double-loop learning. On such assignments, managers attained culture-specific and new knowledge that might be used to improve existing organisational processes (single-loop learning), as well as result in the development of new approaches to organisational management (double-loop learning) (Antal, 2000). Gregersen et al. (1998), among others, recognized that the shortage of international

managers was becoming an increasing problem for several international firms. Moreover, an absence of international experience among parent company managers often inhibited the strategic planning and implementation on a global level given the needs for sensitivity within many foreign units (Briscoe and Schuler, 2004; Stroh et al., 2005; Dickman and Harris, 2005). Brewster and Scullion (1997) also believed that expatriates' familiarity with corporate culture and the established control systems at head office could facilitate more effective communication and coordination.

The skills and competencies that expatriate managers developed while on assignments are said to be essential to global business success as they aid in preserving the international reputation of the organization by keeping misunderstandings to a minimum (Briscoe and Schuler, 2004). For this reason, several MNCs sought to develop an 'international cadre' of managers who were fluent in various cultures and languages, displayed an acute understanding of the global marketplace, and could effectively work as part of an international team (Briscoe and Schuler, 2004: 281). Not only were such teams capable of cultivating innovation, organizational learning and knowledge sharing, but they aided in dismantling functional and national boundaries, thus enhancing horizontal communication and information flows (Dowling et al., 2008; Reiche, Kraimer and Harzing, 2009). Dowling, Welch and Schuler (1999) believed that these teams should also include not only PCNs, but also host-country nationals (HCNs) and third-country nationals (TCNs) as this was a sign of truly global operations.

The talent management and career capital literatures offered further insight into the significant impact of international assignments in developing potential leaders within MNCs. Here, these assignments were depicted as 'mind-stretching' experiences (Jokinen et al. 2008, p.980) which provided developmental experiences capable of shaping individuals' identity (Kohonen, 2005), future intentions and career expectations (Suutari and Brewster, 2003). In addition, empirical research by Carpenter et al. (2001) pointed towards a positive link between senior-management teams, global experience and organisational performance indicators. The literature also indicated, however, that whether or not such assignments were able to achieve such benefits depended on the extent to which the objectives of the assignment were made clear (Stahl et al., 2009). Here the authors were referring to the need to understand the purposes of the international assignment, and incorporating leadership development and succession planning to suit. Collings (2014)

believed that this would allow global mobility professionals to better evaluate the outcomes of such assignments. Earlier research from Kraimer et al. (2009) agreed with this view, as it was found that when expatriates were sent on assignments with the understanding that it was for their development as a manager, they adjusted their mind-set to facilitate their familiarisation with the foreign location. In these instances, the career-enriching outcomes of international assignments were greater than other types of assignments. This was among the reasons that Cerdin and Brewster (2014) asserted that there was a greater need for the amalgamation of talent management and the global mobility function, both in research and in practice.

With regards to how international assignments help to cultivate future leaders, the 'career capitals' approach facilitates the analysis of competencies developed at an individual level (Defillippi and Arthur, 1994; Capellen and Janssen, 2005). Rooted in the concept of intelligent careers (IC), proponents of this perspective believe that expatriates' competencies were developed at an individual level, and that changes occurred in response to dynamic employment, environmental and personal factors (Suutari and Brewster, 2003; Kohonen, 2005; Ibarra and Deshpande, 2007). The latter is reflected in three types of career competencies, these being '*knowing-why*', '*knowing how*' and '*knowing whom*' career capital (Roberts et al., 1998; Capellen and Janssens, 2005; Defillippi and Arthur, 1994; Eby et al., 2003). The 'knowing why' competency refers to the individual's personal career motivation, and relates to how he/she identifies with the organisation (Defillippi and Arthur, 1994). On the other hand, the 'knowing-how' career competency refers to the accumulation of job-related knowledge and career-relevant skills (Defillippi and Arthur, 1994). Within the global careers literature, it is often referred to as professional and inter-cultural skills (Tung, 1998; Stahl et al. 2002). The final career competency, 'knowing whom', identified by Defillipi and Arthur (1994) was depicted as career-enhancing networks. These networks are both internal and external and may include communities of practice. Whereas global managers were concerned, such networks extended across global boundaries (Roberts et al., 1998).

While the career capital literature lends a deeper understanding to how international assignments enhance individual skills and careers, there is still room for further research. For example, there is a need for more studies that provide actual examples of three specified competencies (Cappellen and Janssens, 2005, p.352). Indeed, regarding the 'knowing-how' competency, Culpan and Wright's (2002) study was among the few studies that outlined specific types of skills,

which included listening, language and negotiation skills. To further enhance the utility of this perspective, clarification and agreement is needed on what specific skills make up the ‘knowing how’ and other career capital competencies, and also how such competencies might be developed within the subsidiary setting, or be globally applied for the benefit of the firm.

The ‘social capital’ literature (e.g. Burt, 1992; Portes, 1998; Nahapiet and Ghoshal, 1998) also highlighted the importance of developing the three career capital competencies, particularly the ‘knowing who’ competency. Indeed, the benefits gained through relationships with players within varying social structures were crucial to MNCs given the need for suitable resources such as technology, knowledge and access to distribution networks, which allowed them to compete successfully in global markets (Hitt et al., 2002; Inkpen and Tsang, 2005). Social capital was originally described by Jacobs (1961) as those relational resources stemming from personal ties, and that aided in the development of individuals in community social organisations (Tsai and Ghoshal, 1998). Since its original description, this concept has since been applied to organisational and market relations, as well as to the public domain in modern societies (Baker, 1990; Putnam, 1993, 1995). Subsequent definitions have remained consistent in depicting social capital as the benefits which social actors gain through relationships with players or members within social structures (Burt, 1992; Portes, 1998; Nahapiet and Ghoshal, 1998; Inkpen and Tsang, 2005). Although relationships have been described as the most critical aspect of social capital (Hitt et al., 2002), the norms and values affiliated with these relationships are also deemed to be a key contributing factor (Tsai and Ghoshal, 1998). In recognising, however, that adversarial relationships could lead to negative organisational consequences, Kostova and Roth (2003) offered a more integrated definition of social capital as ‘the potential value arising from certain psychological states, perceptions and behavioural expectations that social actors form as a result of being part of social structures, and the nature of their relationships in those social structures’ (p.301).

Some writers have also distinguished between social capital as a private good and as a public good (Burt, 1992; Putnam, 1993). As a private good, social capital benefited the individuals who possessed it, and they controlled access to the particular social structure or network (Leana and Van Buren, 1999; Kostova and Roth, 2003). When held publicly, however, it becomes available to those outside of the particular social structure (Putnam, 1993). Hence, an organisation’s

members gained access into the resources derived from the organisation's network of relationships without necessarily having participated in the development of those relationships (Lin, 1999). Adler and Kwon (2002) declared that social capital is also capable of decreasing the chances of opportunistic behaviour with international firms. This in turn reduces the need for excess monitoring, reducing the costs of maintaining relationships, and provides an avenue to competitive advantages (Hitt et. al, 2005). Whether such benefits are realised may depend on the nature of the three dimensions of social capital, these being social interaction, relationship quality and network ties within the particular firm (Yli-Renko, Autio and Sapienza, 2001). Hitt et al. (2005) deemed social interaction as essential for creating network ties, while the quality of those relationships determined the strength of those ties. Ghoshal and Bartlett (1990) believed that such quality and strength within a firm's inter-organisational linkages affected its overall success and created value for its shareholders.

The presence of international assignees provided global firms with increased opportunities for direct interaction between social actors (Kostova and Roth, 2003), which is necessary for social capital formation according to social network theorists (Granovetter, 1973; Burt, 1997). As boundary spanners, expatriate managers built up relationships with headquarter contacts while operating at subunit level (Rempel, Holmes and Zanna, 1985). Kostova and Roth (2003) declared that such relationships were the basis for the creation and maintenance of private social capital. It is believed that social capital can also be diffused through expatriates conveying their experiences with and attitudes towards headquarters, to employees within the subunit (Kostova and Roth, 2003), however more research is required to fully explore or demonstrate such an influence. Moreover, the level of trust and confidence in the expatriate's knowledge and character may also help to determine whether social capital will be diffused.

Career advancement has also been identified as another possible benefit might be gained from an individual's increased social capital (Bellevue, O'Reilly and Wade, 1996; Burt, 1997; Useem and Karabel, 1986). Hitt et al.'s (2002) study of Asian and Western firms reflected this, as they found that people connections (*inmak*) in Korea often led to feelings of closeness and aided in advancements within organisations. This demonstrated one of the benefits of private social capital within the firm. Despite the various benefits outlined, however, social capital can also have negative consequences for organisations as indicated by Kostova and Roth (2003).

Many of the features of social capital which provide advantages for organisations, networks and their members, also pose certain difficulties. Although networks provided the opportunity to access information from different parts of the company, Hitt et al. (2002) believed that many firms were limited by the boundaries of their network and may be unable to take advantage of or identify some opportunities because the network did not provide access to the appropriate resources to do so. In addition, the links within one network could pre-empt ties within another network and thus result in possible friction among network or organisational members (Labianca, Brass and Gray, 1998; Talmud, 1999; Hitt et al. 2002; Kostova and Roth, 2003; Hitt et al., 2005). The following section will go on to examine expatriates' coordination and control function.

2.3.3. Coordination and Control

High levels of integration across subsidiaries, coupled with the ability to be locally responsive in order to satisfy various markets, has become increasingly necessary to compete in international markets (Hitt, Ireland and Hoskisson, 2009; Berry, 2014). These have also elevated the need for effective control mechanisms, which guarantee the achievement of organizational objectives (Paik and Sohn, 2004; Peng and Beamish, 2008, 2014). Such mechanisms attempt to ensure that subsidiaries comply with headquarter policies, and guard against the presentation of certain dysfunctional behaviour among organizational members by limiting employee discretion (Child, 1972, 1973; Merchant 1985; Paik and Sohn, 2004). However, whereas in the past key decision-making was retained by headquarters while the activities of foreign subsidiaries were heavily monitored through various means (e.g. exception reporting and output-based financial measures), increasing global operations and integration, shortening product life-cycles and the need to create strategic alliances have demanded that control mechanisms like centralization and formalization be supplemented by more personal and informal mechanisms in order to ensure local responsiveness and flexibility (Edstrom and Galbraith, 1977; Martinez and Jarillo, 1989; Bartlett and Ghoshal, 1989; Doz and Prahalad; 1988; Marcharzina and Wolf, 1996; Harzing, 2001). Researchers have also pinpointed several limitations in output-based control mechanisms especially when there is significant cultural distance (Gomez-Mejia & Palich, 1997; Hamilton and Kashlak, 1999). For such reasons, expatriation was seen as a key means of achieving coordination and control within foreign subsidiaries (Boyacigiller, 1990; Edstrom and Galbraith, 1977; Kobrin, 1988; Schuler, Dowling and De Cieri, 1993; Harzing, 2001b). This particular function was

comprised of two main components, control by socialisation and the creation of a verbal information network (Edstrom and Galbraith, 1977; Harzing, 2001b), both of which will be discussed further after a brief look at what is meant by coordination and control.

The terms ‘coordination’ and ‘control’ are often used synonymously to describe mechanisms of authority or integration (Ghoshal and Nohria, 1993). Harzing (1999), however, differentiated between the two concepts, making it clear that control was a means of achieving coordination, which allowed organizations to accomplish their common objectives. Another description of control was offered by Yousef (1975: 136), who defined this as the mechanisms used to ensure the execution of organizational goals and plans. Similarly, Paik and Sohn (2004: 61) described this as an MNC’s ability to enforce its various operating units around the globe to behave in accordance with its overall policy in a systematic and coherent manner. In some instances, such control was necessary where employees within the subsidiary attempted to utilise their local influence to thwart attempts to implement head office practices (Ferner et al., 2012). When used for control, trusted managers from headquarters occupy a key position within a foreign unit thereby creating a communication channel between headquarters and the unit (Edstrom and Galbraith, 1977). These expatriates are used to effectuate personal or cultural control in a direct or indirect way (Harzing, 2001a), which might consist of ensuring that policies are implemented in the way that HQ intended for them to be implemented, and that the local unit is not just going through the motions (See Mtar, 2001; Belderbos and Heijltjes, 2005, p.345; Ferner et al., 2006). In addition to direct personal control at a local level, expatriate managers also facilitated indirect ‘explicit’ control through creating social network structures across different subsidiaries and disseminating organisational values (Edstrom and Galbraith, 1977; Harzing, 2001a). To achieve indirect personal control, local managers are taught and internalize functional organizational behaviours and rules for determining them (Johnson et al., 2006; Scullion and Collings, 2011).

Martinez and Jarillo (1991) stated that the process of coordination and control required several administrative tools known as ‘mechanisms of coordination’ (p.1). These tools were divided into two main categories; formal, less subtle mechanisms, and informal, subtler mechanisms. The tools within the first group are often aimed at achieving centralization, and hence consist of a series of written rules, how-to manuals and procedures handed down from headquarters (Galbraith and Kajanjan, 1986; Martinez and Jarillo, 1991). The creation of

planning systems such as budget projections, established schedules and outlined goals was also identified as instrumental to realizing coordination as they directed and channelled the activities and efforts of individuals within foreign units. One might expect that such systems may differ significantly from organization to organization.

Ouchi (1977) also pointed to the need for output and behavioural control mechanisms. While output controls were primarily based on headquarters' evaluation of subsidiaries' files and reports, behavioural control involves more direct personal surveillance of a subsidiary's behaviour and activities by an individual from the head office (Mintzberg, 1983). Within the informal, subtler category of mechanisms, the authors outlined three main managerial tools used for informal control as lateral relations (cross-departmental managerial contact), informal communication and development of a strong organizational culture (Martinez and Jarillo, 1991: p.369). Opportunities for informal communication among managers from different departments were facilitated through team projects, task forces, and committees (Galbraith and Kanzanjian, 1986), and supplemented by less structured communication which occurred during management trips, corporate meetings or conferences, and, more specifically, through the transfer of managers (Martinez and Jarillo, 1991). Harzing (2001a) believed that these subtler approaches served to replace or complement HQ centralization, the kind of formal control labelled as the 'bear' function (p.369). In dividing, the role of expatriate control into three distinct categories (bears, bumblebees and spiders), the author suggested that that expatriates were utilized to create various informal communication networks, highlighting the strategic way in which expatriates could be used to achieve organizational goal and objectives. Moreover, Harzing (2001a) renamed Edstrom and Galbraith's 'organisational development' function as 'coordination and control' (p.368), as the latter function was viewed as a result of the first two functions. From this time on, this name has been used by other authors (e.g. Paik and Sohn, 2003; Moore, 2006) to refer to Edstrom and Galbraith's 'organisational development' function and hence this study will also refer to the third function of international assignees as 'coordination and control'.

Several researchers have also asserted that expatriates are capable of promoting shared organizational values among subsidiaries, hence reducing the need for procedures, hierarchical communication, and excessive monitoring (Edstrom and Galbraith, 1977; Jaeger, 1983; Harzing, 1999, 2001a; Legewie, 2002). Although the centre did not control the unit directly, the collective

values act as a control mechanism ensuring that while subsidiaries sought adaptation to the local environment, they continued to pursue corporate objectives (Martinez and Jarillo, 1991). Edstrom and Galbraith (1977) also noted, however, that the main centralizing control strategy was not abandoned but instead modified to include the socializing strategy. By socializing individuals to comply with company procedures, these formal structures become less necessary as employees could be trusted to use their discretion to the benefit of the firm (Harzing, 2001; Legewie, 2002). Jaeger (1983:1) stated that the basis for compliance was an implicit internal company-wide culture where power and authority was grounded on organizational customs and traditions. At the same time, headquarters gained access to local information through interacting with staff in the foreign unit (Martinez and Jarillo, 1991). It is important to note, however, that solid cultural and social understanding, as well as cultural knowledge of the host environment, have been highlighted as key prerequisites to the expatriate's effectiveness in executing this particular function (Tung, 1993; Stening and Hammer, 1992), although few studies have scrutinized this link empirically (e.g. Paik and Sohn, 2004). Nonetheless, the use of expatriates as a control measure as opposed to the use of local staff is said to extend certain advantages to the MNC as transferred managers often possessed a better knowledge of corporate priorities, and enhanced acceptance of and commitment to overall corporate rules determined by the head office (Doz and Prahalad, 1988; Kobrin, 1988; Bartlett and Ghoshal, 1988). An important point to mention here, however, is that in transferring resources overseas, MNCs also ran the risk of individuals becoming immersed in the organizational culture of the subsidiary unit and identifying with the values of that unit while forsaking those of the head office (see Moore, 2006).

After the socialization of key organizational members in the corporate culture, MNCs may transfer managers within and between foreign units in order to facilitate coordination of crucial information (Edstrom and Galbraith, 1977). Managers who were transferred from headquarters were used to create an information network in which they were strategically placed in order to acquire international experience and increased knowledge of corporate culture (Bartlett and Ghoshal, 1988; Hetrick, 2002). Studies have shown that HCNs are increasingly being used for this purpose, with local employees being sent to firms' home country to learn about organisational values (Reiche et al., 2009; Moeller et al., 2010). It is generally expected that head office managers would be able to grasp those functional behaviours congruent with corporate goals more easily

than local managers given their familiarity with corporate culture and strategy (Bartlett and Ghoshal, 1988). Moreover, Edstrom and Galbraith (1977) believed that the shifting of top executives between interdependent units aided in generating the contacts and communications necessary to bring about the shift in power. Ondrack (1985) also noted that these networks were largely based on face-to-face, personal relationships that were developed over time through frequent interaction among an international cadre of managers. This ensured that all expatriates knew at least one person when transferred to any location in the world. The boundary spanning literature and the social capital literature, as outlined previously, shed more light on the importance of creating such inter-unit linkages.

In addition to socialisation and the creation of verbal information networks, the work of Manning et al. (2012) highlighted another way in which AE managers were utilised to ensure control at a local level. This author observed that MNCs also sought to embed organisational values and processes not only within the local subsidiary, but also its local institutional setting. This process was referred in the literature to as field structuration (Meyer, 2004; Hillman and Wan, 2005; Olivier and Holzinger; Manning et al., 2012). Using a case study approach involving two German engineering offshore projects, Manning et al. (2012) observed that MNCs from more developed economies assigned expatriates to local subsidiaries within emerging markets, in order to align local institutional settings with organisational strategies and operational needs (Manning et al, 2012, p.11). Ways in which this was achieved was through establishing relationships and sponsorship arrangements with local educational institutions. Through engaging in collaborative practices with local universities, MNCs secured local highly-skilled talent who were familiar with the practices and values of the organisation before being employed by the local subsidiary firm. While this particular method shares similarities with Edstrom and Galbraith's (1977) 'control by socialisation' functions, the primary distinction was the socialisation was pursued outside the local subsidiary organisation. Nonetheless, it helped to achieve control by ensuring that stakeholders and potential employees within the local setting were familiar and on board with headquarter objectives and practices. Since Manning et al.'s (2012) study, there has little subsequent research seeking explore the role of expatriate managers in this process.

Although, three expatriate functions as identified by Edstrom and Galbraith (1977) have been explained independently, it is clear to see that these functions are not mutually exclusive. When

assignees are sent to foreign subsidiaries, they are often expected to carry out more than one of the three functions simultaneously. Several authors have made this observation over the years, although few studies have explored how these three functions are fulfilled simultaneously, or what individual activities contribute to their fulfilment (e.g. Johnson and Duxbury, 2010). It has also been observed that the particular roles or functions that expatriates undertake are influenced by several internal and external factors (Boyacigiller, 1990; Ghoshal and Nohria, 1994; Delios and Bjorkman, 2000; Caliguiri and Colakoglu, 2007; Johnston and Menguc, 2007; Peng and Beamish, 2014). Such influences exist both with the organisation as well as within the external business context within which it operates. These factors will now be discussed in more detail in the following section.

2.4. Factors influencing Expatriate Use

The roles that international assignments assume in MNCs' foreign subsidiaries are determined by an inter-play of internal and external factors both within the MNC's home country and in the host environments in which it operates. Ghoshal and Nohria (1994) found that MNCs chose to send expatriates to politically unstable environments in order to aid the central organization in understanding local conditions. In other cases, AE managers were sent abroad to control foreign subsidiaries by representing the interests of headquarters while enhancing communication channels and interpreting information passed between the centre and the subsidiary (Boyacigiller, 1990; Ghoshal and Nohria, 1994). Within a foreign environment, however, individuals from headquarters may experience difficulty in understanding and interpreting certain behavioural characteristics and various verbal and non-verbal signals in the new environments. This left Paik and Sohn (2004) to question the rationale behind staffing more expatriates to increase control in culturally distant regions as indicated in other studies (Boyacigiller, 1990; Harzing, 2001b). Instead, they suggested that the expatriate's degree of cultural knowledge and international experience played a crucial role in diffusing tension between local staff and head office representatives. As a result, expatriate managers might be selected based on the degree to which they had internalized company values and were deemed as trustworthy. In addition to the nature of the local environment, other factors have been shown to influence expatriate use, including the type of international strategy pursued by the MNC (Bartlett and Ghoshal, 1989, Bonache and Brewster, 2001), the nature of the particular subsidiary (Colakoglu and Caliguiri, 2008; Peng and

Beamish, 2014), and the country-of-origin of the MNC (Ferner, 1997; Noorderhaven and Harzing, 2003). A further look will now be taken at these various organisational and institutional factors.

2.4.1. International Strategy and Expatriate Assignments

In order to identify how MNCs pursued their international goals, scholars have developed several frameworks and typologies identifying MNCs' strategic choices, according to specific criteria, including the number and size of foreign affiliates, the number of countries in which value-added activities are owned/controlled, and the degree to which management or ownership is internationalised (Perlmutter, 1969, Stopford and Wells, 1972; Doz, 1980; Porter, 1985, 1986; Prahalad and Doz, 1987; Bartlett and Ghoshal, 1989; Gerpott; 1990; White and Poynter, 1990; Adler and Gadar, 1990; Adler and Bartholomew, 1992b). Since Prahalad and Doz's (1987) article, which identified an integration-responsiveness matrix upon which MNC strategies could be plotted, many of these typologies focused on the degree to which the MNC fits along either spectrum, examining these companies at either headquarter or subsidiary level. Although Dunning and Lundan (2008b) declared that no single index outlining international activity was likely to capture the key dimensions of every firm (p. 4), other writers have pointed at the usefulness of creating typologies of such firms. For example, Harzing (2000) believed that these typologies contained and helped to convey the complexity of the MNC into a more manageable amount of features, which could more easily facilitate an understanding of these firms. Moreover, in addition to allowing for predictions about an MNC's behaviour, they could function as prescriptive compositions for such organisations, when mutually reinforcing characteristics were conceptualised (Harzing, 1999).

Of the numerous typologies developed over the years, Bartlett and Ghoshal's (1989) typology will be discussed and utilised within this study as an analytical tool, as it highlights and focuses both on the environmental influences and organisational configurations and processes. This typology remains the most well-known and extensively quoted within the international business literature. Bartlett and Ghoshal (1989) made distinctions between international, multi-domestic, global and transnational MNCs, thus providing a useful tool for the internal examination of the organisation and the consideration of its strategic choices. According to the authors, a firm utilising an *international strategy* sought to leverage its organisational knowledge and technological

innovations across the globe by giving autonomy to individual subsidiaries, so that they could leverage their areas of expertise. While reflecting a decentralised approach, strategic power was maintained centrally. Some writers have noted that this strategy has proven particularly successful for several European firms which have expanded via acquisitions (e.g. Morrison, 2011). A *multi-domestic* firm, on the other hand, reflected a set of domestic strategies, with great differentiation between social, political and cultural elements in various competitive markets. National responsiveness was prioritised and resulted in subsidiary policies, products and services that were tailored to the demands of the local government and markets in different host countries, similar to a kind of decentralised federation (Forgren, 2013).

In a firm using a **global** strategy, business goals were directed towards the world market, and hence focused on pursuing a competitive advantage in economies of scale, with key assets, resources and responsibilities configured and organised centrally. Here, subsidiaries often assumed limited responsibilities (e.g. sales, service: Harzing, 1999). Unlike the subsidiaries of multi-domestic or international firms, their autonomy is relatively limited. The structure of such firms has been likened that of a centralised hub (Bartlett and Ghoshal, 1998), one which is based on a product structure, and where activities of each product division are centralised yet distinct from other world product groups. The final MNC identified was the '**transnational**' organisation, where MNC resources were internationally dispersed yet interdependent, and where subsidiaries, despite having some discretion over decision-making, were incorporated into the company's world-wide operations. This type of firm was seen as recognising the attributes of the previous three models, but also believing that each held only part of the whole truth. Hence, rather than focusing on either centralisation or decentralisation, it opted instead to make strategic decisions at the appropriate time. In addition to balancing the conflicting demands of global efficiency and local responsiveness, these firms also recognise the need to focus on world-wide learning. Hence, while some key resources and capabilities may be centralised within the home country, others may be located in other countries.

Given the complex nature of multinational firms, it is often difficult to neatly categorise an MNC under one of the four strategic types outlined by Bartlett and Ghoshal (Harzing, 2000). Moreover, as the international business environment continues to evolve, this often warrants changes in the behaviour of the multinational which often causes it to reflect another strategic approach than the

type it might have been originally labelled. For example, whereas some US companies in the past typically reflected a global strategic orientation, they have recently been described as multi-domestic as they sought to ensure that they met local demands and preferences (Hitt et al., 2013). It is also important to remember that some MNCs tend to follow not one but several strategies simultaneously. Hence, although there is a fair amount of support for the types of organisational strategies identified by Bartlett and Ghoshal (e.g. Leong and Tan, 1993; Moenart et al., 1994; Roth and Morrison, 1990; Harzing, 2000), more recent research is needed to assess the extent to which this particular typology is still applicable in a dynamic, constantly changing global business environment.

Some authors have highlighted the influence of an MNC's international strategy on the use of international assignments within these firms. Bonache and Brewster (2001), for instance, noted that the international strategy adopted by the organisation played a key role in its decision to use expatriates for knowledge transfer. They believed that companies initiated this function when they perceived that they possess specific knowledge that could provide them with a competitive advantage over companies in their subsidiaries' local environment, although many studies failed to make the link between a company's international strategy and its expatriate policies. Harzing (1999) also drew attention to the need for different degrees of control in MNCs utilising varying strategies. Further support was provided by Caliguiri and Colakoglu (2007) who found in their study of twenty-seven mature MNCs that firms with a global strategy used expatriates for leadership development significantly more than those firms which employed other international strategies.

2.4.2. The Nature of the Subsidiary and its Context

In addition to providing a useful analytical tool for internal organisational strategic choices, Bartlett and Ghoshal's typology also highlighted the varying roles of MNC subsidiaries. Other literature has also stated that the nature of the particular subsidiary can play a role in the decision to use expatriate staff. In many cases, for example, the age, size or performance of the subsidiary were indicators of the level of international staff within MNCs (Delios and Bjorkman, 2000; Harzing, 2001; Gong, 2003; Colakoglu and Caliguiri, 2008). With reference to the life stage of the subsidiary, Edstrom and Galbraith (1977) noted that expatriates were often used to fill positions

when organisations were investing in developing countries. In such instances, subsidiaries, often made the request, oversaw and paid of these transfers. Similarly, Delios and Bjorkman (2000) noted that the decision to use expatriates for knowledge transfer was often influenced by the perceived need of subsidiaries within the host countries. Al-Hussan and James (2003) also found that expatriates were often used to establish new divisions within the MNC and create executive boards tasked with the day-to-day management of operations. In their infant stage, subsidiaries often relied heavily on headquarter capabilities and resources, as its knowledge base is yet to mature (Steers and Nardon, 2006; Peng and Beamish, 2014). Eventually, as units build relationships and identify additional resource bases, they acquire increased bargaining power and hence gain increasing autonomy (Prahalad and Doz, 1981; Mudambi and Navarra, 2004; Peng and Beamish (2014).

With regards to the size and performance of MNC subsidiaries, resource dependence theorists helped to shed some light on how these might impact staffing decisions (Pfeffer and Salancik, 1978). Such theorists posit that as organisations were incapable of generating all of the resources necessary for sustainability, they might become dependent on other organisations for resources, and that this dependence created a level of uncertainty. This particular scenario was applied to MNCs, or more specifically, the headquarter-subsidiary relationship (Johnston and Menguc, 2007). As subsidiaries grew in size, they acquired additional resources, which granted them a source of power (Pfeffer and Salancik, 1978). To avoid issues of agency, as well as to maintain the desired balance of power, expatriate managers, typically PCNs, might be sent to the specific subsidiary (Gupta and Govindarajan, 1991). While this is plausible, there are very few studies which found an empirical link between subsidiary size and expatriate use (e.g. see Richards, 2001). Peng and Beamish (2014) offered an explanation for this, observing the relationship between subsidiary size and expatriate staffing may be regulated by other variables. Rugman (2010) also observed that the potential significance of the market in which the MNC operated also helped to determine the strategic importance of the subsidiary to the MNC. For example, where the context or the subsidiary possesses advanced technological or marketing competences or systems, they were more likely to hold greater strategic importance.

Where there is greater cultural or institutional distance between the parent country and the subsidiary environment, expatriates were also typically sent to specific foreign units in order to

increase headquarter control (Colakoglu and Caliguiri, 2008). A study by Gaur et al. (2007), which sought to examine how host country environments influenced staffing strategies, provided empirical evidence of this link. Through analysing expatriate employment levels and firm performance in the foreign subsidiaries of Japanese firms in forty-eight countries, the authors found that firm depended on expatriates more when seeking to efficiently transfer management practices to institutionally-distant subsidiaries (pp.622-24). Such findings were in line with previous studies which also indicated that cultural distance was a significant determinant of the increased expatriate staffing (Boyacigiller, 1990; Padmanabhan and Cho, 1996). However, whereas this link has been observed, several factors must be taken into consideration. For example, several of these studies utilised Japanese firms, which are more inclined to use expatriates. In saying this, the results of Colakoglu and Caliguiri's (2008) study of fifty-two US MNCs also indicated that expatriates were more utilised when cultural distance was an issue. However, another consideration regarding this link might be the time-bound nature of the increased control in such situations. Indeed, past studies have pointed towards the influence of assignment length on the degree of intercultural interaction (Janssen, 1995), and hence further empirical inquiry is required (Wilkinson et al. 2008).

2.4.3. Country-of-origin Influence

The influence of an MNC's country-of-origin on its business activities has also been highlighted in several studies (e.g. Ferner, 1997; Lane, 1998; Noorderhaven and Harzing, 2003; Almond and Ferner, 2006; Ferner et al. 2011). For example, Ferner, Quintanilla and Varul (2001) observed that these firms' behaviour and approach to Human Resources and Industrial Relations issues at an international level were very much ingrained within the business systems of their parent countries. This observation was also made by Noorderhaven and Harzing (2003) who found that top management positions within companies' international operations were more often than not dominated by PCNs, whose managerial preferences customarily shaped and became integrated into organisational structures, procedures and processes. Edwards (2011) also pointed out that such an influence also extended to key organisational decisions, and highlighted that the CEO and an inordinate amount of management boards within MNCs were citizens or nationals of the firm's original country.

Several studies have indicated that the country-of-origin of the MNC might also have some influence on how expatriate assignments were used by companies from specific countries. For example, Germany and Japan have been shown to utilise more expatriates than countries like the United States (US) (Tung, 1982; Kopp, 1994; Torbiorn, 1994; Harzing, 1999, 2001b; Schaaper et al., 2011). According to such studies, the particular expatriate function that the AE manager was tasked with, may also be influenced by institutional elements within the home country of the MNC. Whitley's (1999) National Business System typology provides an example of this. According to this, MNCs from 'coordinated business systems' (e.g. Germany or Japan), where there was a cooperative organisational hierarchy and a greater degree of integrative relationships and interdependence, were likely to use a greater number of expatriates to exact personal control. On the other hand, MNCs originating in the US or the United Kingdom, where the national business system was more 'arm's length', were likely to opt for more bureaucratic control mechanisms (Neghandi, 1987; Ferner and Varul, 1999). Tung (1988) also noted that US companies typically used fewer PCNs in international activities than European or Japanese firms, while Japanese firms tended to utilise more PCNs than US or European firms (Tung 1982; Negandhi and Welge 1984). Similarly, Kopp (1994) found that Japanese firms used more ethnocentric staffing policies. This body of research has proven useful in highlighting the possibility of MNC operations being shaped by more macro-level elements, as well as the potential for MNCs to benefit from the distinctive normative and regulatory elements within their home country. However, there is a need for a clearer link to be established between the supposedly influential institution and the phenomenon being studied (Ferner et al., 2006). Nonetheless, given the findings of the various scholars identified, it would be foolhardy to ignore the potential impact of CoO effects on MNC operations. With regards to the influence of CoO effects on expatriate activities, there is a need for further empirical research on how the national business system of the MNC's home country could also potentially shape how the various functions of these individuals are undertaken within foreign subsidiaries.

As indicated above, the context within which the MNC operates, along with several organisational factors, have some bearing on the decision to use international assignments, and the purposes for which these are used. Yet Torbiorn (1992), in protesting against rigorous assignment planning, pointed towards the unpredictability of international assignments. Indeed, an examination of

several studies within the literature on expatriate use (E.g. Edstrom and Galbraith, 1977; Ondrack, 1985; Enderwick and Hodgson, 1993; Welch, 1994; De Cieri and Dowling, 1997) revealed a general lack of convergence among firms, with regard to which function bares the most significance. As a result, some writers have concluded that expatriate assignments were firm-specific (Hocking et al., 2004), and largely dependent on several environmental, organisational and individual level factors (Harzing, 1999). The impact of these various factors was not isolated, but rather changed within one level or sphere, which often resulted in changes within another level. With this in mind, one might expect that when the context changes, the nature in which organisations utilise expatriate assignments might be impacted. Hence, in the following section, some of the key changes within the global business environment over the last forty years, as identified in the international business literature, will be highlighted. Having done this, how such changes have impacted the use of international assignments will be discussed.

2.5. Changes in the Global Business Environment

As international competition continues to increase, the nature of MNC operations have shown significant changes in global business organisation. The effects of global changes upon MNCs' organisation and behaviours have been reported by several scholars over the last four decades. From the 1980s onward, on-going economic, political, social, and technological developments have been key drivers of change, resulting in significant shifts in the organisation of MNC activities (Buckley, 2002; Edwards and Rees, 2011; Rugman et al., 2011; Forsgren, 2013). Bartlett and Ghoshal (1989) believed that immense global restructuring, accompanied by intensifying competition was bringing to bear significant implications for the landscape of the MNC. These various changes and their impact on the activities and organisation of these companies will now be discussed further.

2.5.1. Industrial and Economic Developments:

Several academics have highlighted the increasing shift away from the production of traditional manufactured goods within the twentieth century, towards an economy that is more service-based, and dependent on highly-skilled individuals and technological firms (Shapiro & Varian 1999; Contractor and Lorange, 2002; Dunning, 2002; Dunning and Landan, 2008; Rugman et al., 2011). Neef (1998) noted that within the changing global economic context, physical assets were becoming less important, with manufacturing plants becoming more contracted as a result of

automation, what he called the ‘workless factory’, and increased outsourcing. Other writers have referred to this shift towards a more knowledge- or idea-based economy as the ‘Post-Fordist’ era (Hirshon, 1984; Block, 1990; Foray and Lundvall, 1998; Dunning, 2002). Other key developments included the use of Six Sigma, a technological process introduced by Motorola which allowed for increased worker innovation and participation and quick identification and elimination of problems in the production process (Harry, 1998). Following its rapid uptake by large MNCs from the 1980s onwards, it allowed for reduced costs and improved production quality (Rugman and Collinson, 2006, p.13). Contractor and Lorange (2002, p.488) noted that within such an economy, customisation, rapid response, flexibility, dis-internalisation, and deconstruction of the value chain were favourable.

From the 2000s onward, the rapid dynamism and pace of global changes had proven to be new forces for international expansion, resulting in shortened product life-cycles, expanding R and D investments, and scale economies (Bartlett, Ghoshal and Birkinshaw, 2004; Rugman et al., 2011). Also observed was a renewed demand for manufactured goods after economic growth hastened again following the 2008 global recession. Increasing globalization and the participation of emerging economies also contributed to this, with less familiar countries playing a more dominant role in the global economy. In the last decade, these countries had become key ‘outward investors’, with the stock of investment from emerging economies totalling more than four trillion (Marinov and Marinova, 2012). The Economist (2010) expected continued economic participation by these markets, predicting that in the coming years, more than seventy percent of the world’s business growth would be generated by emerging economies. Similarly, UNCTAD (2014) showed that while expansion in the retail sector to large emerging markets has been on the decline, there has been increasing FDI flow into lower income economies like Sub-Saharan Africa, South America and South East Asia (p.16). This increased expansion into new growth markets has been attributed to robust economic growth, and the ‘burgeoning middle class with increased purchasing power and youthful populations’ in these regions (UNCTAD, 2014, p.16). Indeed, urban populations within the highlighted regions had risen at a rate of sixty million per year over the last three decades (Dobbs et al., 2015). It is expected that emerging markets will continue to grow at a rapid rate, with some consultancy reports predicting that such growth will out-pace growth within developed countries (e.g. Mercer, 2015).

2.5.2. Technological Developments

Among the key reasons for the various economic changes identified above is ongoing and fast-paced technological developments across the globe. Employers within the growing service sector have been combining advanced computing techniques with new communication tools, which further reduced the need for specific tangible processes. Key to these developments had been reduced speed and cost at which information can be disseminated globally (Bran and Popesco, 2015). Technological advancements in areas like transport, data-processing and communications have had significant ramifications on what is produced by MNCs and how it is produced (Scholte, 2005, p.23; Bran and Popesco, 2015). Moreover, the advancement of communications devices has resulted in an increasingly virtual workforce, where the employee no longer has to be in the office to undertake organisational tasks. Innovations in social media, mobile applications and other online retail platforms have further extended the global reach of organisations, the amount of information available to consumers across the world, and the subsequent ability of both parties to make faster decisions (McKinsey, 2015). Additionally, the development of electronic currency (Neef, 1998) has further facilitated the quick daily transfer of money globally which has led to a significant increase in the total flow of FDI, and hence facilitated investment from and within low-wage nations like Brazil, China and Mexico by American and European firms. These developments have also resulted in increased internationalisation of numerous professional and business services (Rugman, Verbeke and Nguyen, 2011), greater outsourcing, and the amalgamation of various sources of innovations (Cantwell, 1995; Dunning and Landan, 2008; Vance and Paik, 2015).

The highlighted changes have had a significant impact on the international business environment, with more integrated markets, nation states (discussed in the following section), and technologies (Briscoe, Schuler, and Tarique, 2012). Such developments have facilitated increased linkages among people, cultures, countries, and businesses, hence further proliferating the process of globalisation. Increased access to knowledge has also brought intensified competition among firms, where knowledge is perceived as the source of economic viability and a driver of organisational productivity (Apak and Atay, 2014). Dickens (2007, p.7) offered the below description, regarding the novelty behind these recent changes in economic activities and the impact upon global operations:

“There has been a huge transformation in the *nature* and the *degree* of interconnectedness in the world economy, and, especially in the *speed* with which such connectivity occurs, involving birth of a *stretching* and an *intensification* of economic relationships. We live in a world where *deep integration*, organised primarily within and between geographically extensive and complex *transnational production networks*, and through a diversity of mechanisms, is increasingly the norm”

Dickens (2007) is one of many to notice the significant changes in the nature of the social and economic context within which MNCs currently operate. Several academics and notable economists have agreed with this statement, observing the increasingly qualitative dimension of MNC economic activities (e.g. Rugman, 2005; Edwards and Rees, 2011). Castells (2011, p.3) also pointed out that capitalism had undergone a process of intense restructuring, one characterised by greater managerial flexibility, decentralisation and networking of companies both internally and in external firm relations, rising individualisation, diverse working relationships, and ramped up global economic competition, in a differentiated geographic and cultural context for capital accumulation and management. Four decades earlier, these firms were chiefly characterised by a hierarchical structure, with a top-down relationship between firm headquarters and their subsidiaries (Ghoshal and Nohria 1994; Rugman and Verbeke, 2003). Within the past two decades, however, several academics have noted that the operations of several MNCs tend to reflect a differentiated network (Rugman et al., 2011). Indeed, Ambos and Schlegelmilch (2010) found in their study that there had been an increase by 76% of regional headquarters within Europe between the years 2000 and 2010 (p.66). Regional headquarters have been described as units which coordinate MNC activities within a specific geographic zone, and act as a linking pin between that region and the firm’s headquarters (Schulte, 1998, p.105). These structures possess distinctive capabilities and resources (Scholte, 2005; Rugman and Verbeke, 2003; Rugman and Collinson, 2005; Rugman et al., 2011), which allow firms to better address the needs of customers within these geographic zones. Indeed, Andersen et al. (2005) described power and knowledge within these MNCs as distributed across a set of semi-autonomous units, with some units assuming more importance than others.

2.5.3. Political Developments

In addition to, and partially as a result of, technological advancements, one of the most significant developments within the global economic environment over the last twenty years has been the internationalisation of financial markets (Dickens, 2007; Edwards and Rees, 2011). The term 'internationalisation' will be used here to refer to increasing inter-country relations, international exchange and interdependence, and increasing trade and investment flow (Hirst and Thompson, 1996, p.48; Scholte, 2005). From the 1980s onwards, there has been a noticeable reduction of trade barriers, which has been partly due to increasing regionalism. The concept of regionalism is not easily defined for various reasons including the difficulty with defining a region itself, and the possibility of unintentionally or otherwise excluding specific developmental goals of a regional partnership (Keating and Loughlin, 1997; Edwards et al., 1997). Within this study, however, the term will be used to refer to *'the creation of an economic partnership agreement among a group of nations within a specific geographically defined area, which benefits its member states through increased coordination of political and economic policies and relations'*. This definition reflects the characteristics and elements of this phenomenon, as outlined by past writers (Keating and Loughlin, 1997; Hettne et al., 1999; Rugman, 2010). Growing regionalism, in addition to being responsible for the decline of restrictions on transferring money from country to country, has resulted in the decline of international travel prices, as well as restrictions limiting the movement of migrants within and between specific geographic regions (e.g. European Union, North American Free Trade Agreement) (Rugman and Collinson, 2006). Lane (2008) among others have also observed that many products and services were now being developed through an integrated 'global chain' of companies based in several different countries.

The introduction of international trade regulation has also helped to liberalise trade and resolve trading disputes between various countries (Grosse, 2005; Rugman and Collinson, 2006). The World Trade Organisation, an umbrella trading regulating body established in 1995, has been responsible for solving trading conflict between countries, thus stimulating additional business transactions (Mansfield and Reinhardt, 2003). Where companies refused to comply with the international trading regulations of this body, they paid the penalty for this. Given their significant presence across the globe and the subsequent impact on employment and trade in host country environments (Edwards et al., 2013), Kostova et al. (2008) saw MNCs as capable of creating their

own ‘intra-organisational field’, which operated according to particular rules, logics and norms (p.5). The recognition of this is reflected in recent trends towards initiating regulatory mechanisms which establish rules and expectations for global management practice. This was seen particularly around issues of human rights, ethical labour practices and environmental standards (Eberlein and Matten, 2009). With the rise in environmental problems due to MNC operations in different local settings, there are now more high-level government agencies and ministries aimed at reducing the incidences of negative environmental fall-out. Rivera and Oh (2013) expected the presence of such agencies to rise even further, both within developed and developing countries.

2.6. Impact of Global Developments on Expatriation

The various changes outlined have had a significant impact on the nature of expatriation. Increased global competition, more efficient transportation systems and advanced communication capabilities, have resulted in the emergence of several alternatives to these long-term assignments, on which the majority of IHRM literature remains primarily focused (Grainger and Nankervis, 2001; Collings, Scullion and Morley, 2007). With growing international trade, there is now a larger percentage of goods and services that are purchased and developed in one nation and sold to another. Moreover, reduced geographic restrictions have eased the ability of international assignees to commute between countries, and hence resulted in an increase in the types of international assignments used within MNCs (GMAC, 2008; Harvey and Moeller, 2009).

Bonache and Zarraga-Oberty (2008) believed that the depiction of expatriates as long-term assignees belonged to the past as advances in technology, which facilitated quick and efficient transfer of these employees between headquarters and subsidiary units, had given rise to the use of more diverse forms of international staff, including short-term assignments, international commuters and frequent flyers, as well as inpatriates, team assignments and virtual assignments (Collings, Scullion and Morley, 2007; Mayerhofer et al., 2004; Brewster, Harris and Petrovic, 2001; Suutari and Brewster 2000; Harzing and Russeveldt, 2004; Bonache, Brewster and Suutari 2007). Despite this expanded portfolio of international assignments, the findings of some researchers indicated that there has been no significant fall-off in the use of long-term expatriate assignments in MNCs (Morley and Heraty, 2004; Collings, Scullion and Morley, 2007). Although some writers have sought to define and explore the nature of these alternatives (e.g. Tahvanainen et al., 2005;

Melone, 2005), there is much less literature focussing on how global companies utilise these shorter-term assignments, as compared with longer-term assignments. The past decade, however has seen an increase in studies focusing on whether these types of assignments are capable of fulfilling MNCs' strategic objectives in the same way as traditional international assignments (Collings et al., 2009; Meyskens et al., 2009).

With the rise of regional headquarters, there is also a need to explore the extent to which these units bear significance on how international assignments are utilised within MNCs. Since Heenan and Perlmutter's (1979) study, which first highlighted MNCs' region-centric orientation and the subsequent influence on international staffing options (i.e. use of TCNs over PCNs/HCNs), there has been a scarcity of research on how regional HQs impact on assignees' management functions within foreign subsidiaries. These units have significant implications for the transfer of knowledge across MNCs, and have been recognised in the literature as important 'knowledge carriers' (Asakawa and Lehrer, 2003; Ambos and Schlegelmilch, 2010). They were seen as an attempt to merge home and host country interests at a regional level by mutually negotiating, both horizontally and vertically, and developing key personnel for positions across various regional units (Heenan and Perlmutter, 1979; Chakarvarthy and Perlmutter, 1985; Rugman, Verbeke and Luxmore, 1990). A recent study by Lunnan and Zhao (2014) highlighted the need to examine the impact of these MNC structures in the facilitation of knowledge across borders. In their study, the authors found that regional headquarters of Western companies operating in Asia, acted in facilitating and assisting knowledge initiatives between MNC units (p.409). However, AE managers' roles in the facilitation of knowledge and other organisational functions within such regional units are yet to be further explored (Piekkari et al. 2010; Alfoldi et al., 2012; Amahn et al. 2014). Given the highlighted developments and areas for further exploration, the following section will go on examine the extent to which further theoretical development on the expatriate functions is needed.

2.7. Reviewing Edstrom and Galbraith's Typology

Despite increasing diversity of and expanded research on expatriate assignments, Edstrom and Galbraith's (1977) typology (see table 1) remains the most quoted in literature examining expatriate functions and purposes (Harzing, 2001; Hocking et al., 2004; Cerdin and Brewster,

2014). Indeed, it was the first empirical study which offered a comprehensive categorisation of the purposes of individual international transfers between organisations. Over the years, the three purposes of assignments identified in this study (position-filling, management development, and organisational development/control) have been confirmed in subsequent research (Torbiorn, 1994; Delios and Bjorkman, 2000; Bonache and Brewster, 2001; Harzing, 2001a, 2001b; Paik and Sohn, 2004), or adapted through variations on a similar theme (e.g. Adler and Ghadar, 1990; Harzing, 2001; Hocking et al., 2004). As a result, Cerdin and Brewster (2014) declared that the 1977 seminal study remained robust with regards to identifying the key reasons for the utilisation of international management assignments by MNCs (p.246). In saying this, while Edstrom and Galbraith's work was indeed ground-breaking, this framework is not without its shortcomings.

One of the key criticisms levelled at this framework is the limited exploration of the inter-relatedness of expatriates' various assignment purposes. Although these functions have been applied and examined individually within the literature, it has also been observed that significant overlap exists between each role. To illustrate, Hocking et al. (2004, p.566), in adopting a strategic perspective (Torbiorn, 1994), highlighted the fact that the transfer of 'know-how' (p.566) was not distinctive to the position filling (or knowledge transfer) role, but rather was inherent in control and the common objective of all strategic expatriate assignments. These authors suggested that the nature of the knowledge and the mechanisms used for its transfer was where the variation between Edstrom and Galbraith's functions came.

Dimensions	Reason for Transfer		
	Fill Positions	Develop Managers	Develop Organisation
Relative numbers	Few	Moderate	Many
Specialties transferred	Technical plus a few MDs	Technical, Administrative	All
Location of host	Developing countries	Developing country, country with unique competence	All countries
Direction of flow	Central office to subsidiaries	To and from central offices and subsidiaries	Between subsidiaries, between central offices and

			subsidiaries
Age of Expatriate	Young	Young to middle age	Throughout career
Frequency	1-2 moves	Several moves	Many moves
Nationality of expatriate	Country of ownership	Parent country plus select subsidiaries	All nationalities
Personnel information system	Likely candidates from central office	Central office and subsidiaries	Extensive list of candidates, jobs monitored by personnel
Power of personnel Department	Weak	Moderate	Strong

Table 1: Edstrom and Galbraith's (1977) purposes of expatriate assignments

Another criticism of the 1977 expatriate framework was with regard to the need to identify individual- and organisational-level drivers of international assignments, leading some to comment on the lack of clarity and understanding of this categorisation (e.g. Hocking et al., 2004). In response to this, some researchers have sought to offer alternative frameworks which make the distinction between various strategic levels. For example, while Pucik (1992) differentiated between demand-driven and learner-driven outcomes of expatriate assignments, Evans et al. (2011) created a framework which linked the purposes of expatriate assignments to the duration of these assignments. Among others, Sparrow et al. (2004) sought to examine the extent to which the typology remains useful after thirty years. After a review of several studies, the researchers identified six organisational reasons for the use of international assignments; career development, international cadre of managers, position-filling, transfer of local expertise, coordination of global policy, control of local operations, and the transfer of expertise (p.138). Of these, the three most important functions according to respondent data were the development of an international cadre of managers (95.3%), organisational development and control (81.2%), and position-filling (56.3%).

One of the most useful categorisations and reviews of the strategic purposes of international assignments as identified by Edstrom and Galbraith (1977), was Hocking et al.'s (2004) study. Acknowledging the overlapping nature of expatriates' functions and the need for a clearer

typology, these researchers developed an assignment purposes relationship matrix (See Table 2) founded on two knowledge transfer dimensions. The researchers went further, also seeking to explore the relationship between strategic assignment purposes and their path-dependent outcomes. This study offered a more comprehensive framework for understanding the assignment purposes outlined by Edstrom and Galbraith (1977), identifying three main strategic categories, including business applications, organisational applications, and expatriate learning.

Principal purpose categories	Contributing role objectives
Business Applications (=Fill Positions)	managerial know-how application professional know-how application professional know-how training technology innovation transfer corporate image promotion
Organisational applications (=develop organisation)	Co-ordination/networking Culture transfer/socialization Policy transfer/control Best practice systems transfer
Expatriate Learning (Develop managers)	International business/professional experience Global company perspective

Table 2: Expatriates' Strategic Assignment Purposes (Edstrom and Galbraith's functional equivalents are shown in parenthesis). Source: Hocking, Brown and Harzing (2004, p.567)

In creating the above categories, the authors distinguished between those roles that contributed to expatriates' business related role activities, and those that enhanced or maintained organisational growth. While these two categories pointed towards knowledge transfer activities and objective of expatriates, the final category, expatriate learning focused on the acquisition of knowledge by the expatriate manager while on assignment. Moreover, the typology also offered a range of role objectives for each category which, through the use of a knowledge perspective lens, helped to

explain how particular expatriate behaviour contributes to the strategic objectives of the firm, and the extent to which the various expatriate roles are linked.

Hocking et al.'s (2004) re-classification lent to further understanding of Edstrom and Galbraith's (1977) framework, further delineating between various individual and organisational purposes of assignments, exploring the nature of their inter-relatedness and examining specific path-dependent outcomes. However, while this study does indeed extend the scope of analysis on expatriate functions, this scope is limited due to specific conditions, it being conducted within one Swedish telecommunications firm (Ericsson). Although this granted the authors more empirical control and analytical focus, they acknowledged and advocated for the need to undertake a multiple-case study design within a heterogeneous study (Hocking et al., 2004). Indeed, a multiple case approach, with a larger and more balanced number of interviews from both expatriates and assignment organisers would offer more insight into the purpose and contribution of these assignments from the view of both the assignee and the MNC.

Though acknowledging that Hocking et al. (2004) chose not to focus on expatriate roles processes, there is still a need for research at this specific level in order to assess how expatriates' various purposes and role objectives are actually achieved. In recent times, there have been calls for the examination of the various expatriate functions at a micro-level (Bonache and Zarraga-Oberty, 2008; Cook, 2009; Rupidara and McGraw, 2011). In their examination of HRM knowledge as an influencing variable in the successful transfer of HRM practices, Chang and Smale, (2013) observed that many studies on knowledge transfer opted to focus on macro- and meso-level factors, at the expense of micro-level factors (p.1). Barner-Rasmussen et al. (2014) among others have also highlighted the important role that individual employees play for several organisational level outcomes (also see Felin et al., 2012). The writers observed that still very little was known about what enables knowledge transfer across boundaries. The lack of analysis at this level extended to the rich body of literature on expatriate purposes and functions, where several studies focusing on the various functions of expatriates, but very little exploring how these functions were fulfilled and operationalised on a daily basis within foreign subsidiaries (e.g. see Johnson and Duxbury, 2010).

Based on a review and discussion of the above outlined literature, it is believed that more

theoretical development examining how the various expatriate purposes are inter-related and fulfilled simultaneously is required. It is here that this present study aims to contribute, through the exploration of not only the reasons for AE managers' use, but also how these roles are inter-related and fulfilled at a micro-level with MNC subsidiaries. In doing this, it will also explore what organisational- and environmental-level factors help to determine the use of such assignments since the development of the 1977 framework, in order to examine whether it adequately captures the reality of AE managers' roles within the current MNC context. To inform such analysis and theoretical building, the researcher will draw upon the dynamics capability framework (DCV) (Teece, 1997; Teece, 2007; Augier and Teece, 2009), as well as the career capital view and the boundary-spanning literature previously identified. In addition to emphasizing the strategic importance of expatriate assignments, it is believed that the DCV, as a theoretical lens, is useful as it depicts the challenges and complexity faced by MNCs and its key players, as they strive to meet the needs of consumers and stakeholders in a constantly and rapidly changing international business environment. Here, the term 'stakeholder' is used to refer to those individuals and groups whose outcomes are tied to the specific organisation, and vice versa (Freeman, 2010; Johnson et al., 2014). The career capitals literature, on the other hand, is particularly useful for analysing the impact of international assignments on managers' personal and professional development. More about the use of these perspectives is provided below.

2.7.1. Theoretical Lens: Dynamic Capabilities View and Career Capital Perspective

To explore the strategic nature of expatriate managers' functions within MNCs, the Dynamic Capabilities View (DCV) put forward by Teece (1997, 2007) will be utilised. Similar to the Resource-Based View (Barney, 1991), the DCV contends that many of an organisation's most valuable internal assets are knowledge-based, and thus non-tradable (Teece, 1997). Teece believed that competitive advantage could be gained at a 'point in time' through the possession of scarce and inimitable resources, key of which was know-how (Teece, 2007, p.1). When such resources were coordinated and integrated, they created difficult-to-replicate value within a market. Within a dynamic business environment, marked by ever increasing competition, on-going change, and the geographic distribution of customers, organisational processes, markets, and suppliers (Teece, 2007; Augier and Teece, 2009), sustaining a competitive advantage became more difficult. To achieve this, firms needed not only to own inimitable assets, but also dynamic capabilities, which

could harness and realise organisations' unique assets (Teece, 2007). These dynamic capabilities were identified as the ability to sense and seize opportunities, and reconfigure intangible and tangible organisational resources to maintain a competitive edge. These capabilities were believed to be at the core of firms' success or failure. Unlike the resource-based view, the dynamic capabilities view aimed to identify how firms could sense, seize and reconfigure new opportunities within an ever-changing environment (Augier and Teece, 2009). It provided more guidance as to how organisations developed and acquired new and globally dispersed knowledge, as well as how firms made investment choices and reconfigured themselves to enhance their ability to compete globally.

In applying the DCV to managers, Augier and Teece (2009) stated that global executives play a crucial role within MNCs, as they were expected to 'sense and seize' new opportunities, and reconfigure when change occurs (p.411). This necessitated the allocation, re-allocation, combination and recombination of the firm's resources and assets, what Teece (2007) saw as the key strategic functions of executives. Recognised as top performers within their firms, AE managers were typically defined by their 'cosmopolitan status' (Stahl and Bjorkman, 2006), that is the openness to various cultural perspectives, and the ability to discern cognitively complex situations (Boyacigiller et al., 2004). The DCV, although broadly applied here, is useful in highlighting the potential strategic outcomes of international management assignments within MNCs. At a more micro-level, however the career capital and the boundary spanning literature, previously outlined, provided a more individual-level approach to considering how knowledge transfer, management development or coordination and control might be achieved through the use of expatriate managers.

The global mind-set and boundary spanning experiences of international assignees made them capable of contributing significantly to MNCs' sustained competitive advantage, through identifying opportunities and globally dispersed resources, and using or reconfiguring these in ways that benefited the organisation (Chesbrough and Rosenbloom, 2002; Augier and Teece, 2009). How AE managers might develop such managerial skills are explained by the Career Capital perspective (see De Fillippi and Arthur, 1994; Inkson and Arthur, 2001; Parker, Khapova and Arthur, 2009). As a frame of analysis, it offers a comprehensive way of identifying the types of knowledge and skills that individuals acquired while on assignment (Haslberger & Brewster,

2009). Within the boundary-less career literature, individuals' careers are viewed as separate from their organisation (Arthur and Rousseau, 1996). The current dynamic business context required key MNC employees to develop their adaptability and flexibility in order to meet constantly changing market demands. At the same time, many authors have commented on the reduced employment security in this environment, due to a shift in the psychological contract between individuals and organisations (Lewis, Smithson and Kugelberg 2002; Sturges, Guest, Conway and Mackenzie Davey 2002; Jokinen et al, 2008). As such, the development of 'career capital' is particularly relevant, and could be achieved with the use of international assignments.

To identify how the various capabilities might be developed, Teece (2007) emphasized the need for more analysis at the micro-foundational level of the firm. The term micro-foundation has been used often in the International Business literature to describe abilities and activities at the individual level (e.g. See Barner-Rasmussen et al. 2014). It is believed that this is where the success or failure of a firm was determined (Teece, 2007, p.1320). Several scientists over time have argued for the examination of macro-theories and concepts at the individual level (Felin, Foss, Heimericks and Madsen, 2012), asserting that organisations and social systems are the sum of those individuals who occupy them (Elster, 1989; Udehn 2002). However, with increasing studies calling for more research at this level (e.g. Werner, 2002, Harrison and Schaffer, 2005; Johnson and Duxbury, 2010), others cautioned against reducing discussions on micro-foundations to merely the consideration of human actions, but rather to also consider the interactions among them as well as the context of the organisation (Whetten, Felin and King, 2009; Barney and Felin, 2013, p.4). Failing to do this, these writers believed that there was a danger of presenting 'half-truths' in terms of organizational behavior and performance. Such a danger is present within the existing literature on expatriate use, as there is a need for more studies which examine the multi-purpose nature of international assignments and how these purposes might be influenced by the dynamic context in which managers operate. This would allow for a clearer understanding with regards to how one assignment might contribute at various levels in the organisation, as well as how the different assignment purposes might be fulfilled at once, and impact at the subsidiary level.

2.8. Summary

Previous studies have highlighted that expatriate assignments fulfill a number of purposes simultaneously (Galbraith and Edstrom, 1976; Hocking et al. 2004). Despite this, few studies have sought to examine how this simultaneous fulfillment of objectives is achieved, with many studies choosing to focus their attention on one or two of the functions identified by Edstrom and Galbraith (1977). The researcher believes that expatriate managers will be assigned at any given time for not one but a combination of individual and organizational functions. While Edstrom and Galbraith's functions remain robust, there is a need for a typology which reflects the dynamic nature of AE managers' roles. Hence, based on an examination on the literature, this study will explore the functions that expatriate managers perform within foreign subsidiaries. More importantly, it will seek to identify how these functions are operationalized, and what micro-level activities contribute to the fulfillment of the roles identified within the literature. Additionally, while recognizing the unique nature of international assignments, it is believed that the functions performed by AE managers will be shaped to some extent by organisational and environmental factors within the MNC context. Because of the exploratory nature of this study, propositions have been avoided and expectations broadly outlined, in order to leave room for discovery emerging from the data acquired. The research questions which further indicate the researcher's intentions will be outlined again in the following methodology chapter, where more details about the research process will be offered.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction:

Moving on from the literature review, this chapter will serve several purposes. First the research philosophy and rationale for the research design chosen for this particular study will be discussed, followed by an outline of the research design and the main research questions. Next, the reasons for using multinational companies (MNCs) originating from the United States and Spain, as well as an explanation for choosing specific sectors will be further explained. The majority of interviews were conducted within the UK head offices of the MNCs. Hence, reasons for using the United Kingdom as a host country will also be made known. The method and process of data collection will then be thoroughly examined, and finally the approach to data analysis will be discussed in order to make clear how various conclusions were reached. Next the limitations of the research design used will be discussed and ethical considerations will be highlighted. These sections will be followed by a brief conclusion.

3.2. Research Philosophy:

The stance taken within this study might be described as an ‘interpretivist-constructionist’ approach (Schwandt et al., 1994), although the researcher also borrows elements from critical realism. Regarding the former approach, it is assumed that knowledge is actively created and discovered through the process of social interaction (Berger and Luckman, 1967; Burr, 2015). Berger and Luckman (1967, p.149) observed that individuals have different socially constructed and subjective realities, which result in individual and distinct perceptions and understanding of the world. Here, greater legitimacy and value is given to human accounts of what constitutes an ‘event’, and focus is placed on ‘socially agreed understanding’, or what a ‘community of researchers’ deemed to be true or useful at a particular point in time (Jankowitz, 2005, p.116). This approach also requires consideration to be given to personal, situational, and social factors that might help the shape the occurrence of particular actions, events, or responses (Gergen and Davies, 1985; Jankowitz, 2005). In line with such thinking, the decision to interview key members within MNCs and their subsidiaries was deemed appropriate. This was because it was important to gain the perceptions and understandings of expatriate assignment use within MNCs through the eyes of those persons directly involved in the daily organisation of individual assignments, as well as those

who undertook such assignments. These persons included HR or global mobility managers, and individual employees sent on managerial assignments in foreign subsidiaries. Their distinctive accounts of the specified phenomena (expatriate roles) could convey the reality of these international roles, their purpose, and the motivation behind the actions undertaken to achieve their overseas objectives. Moreover, their perceptions allowed the researcher to further evaluate well accepted definitions and ideas within the expatriate literature (e.g. Edstrom and Galbraith, 1977; Harzing, 2001), regarding these functions, their purpose and their contributions at varying organisational levels. These individuals could also communicate what key factors play a role in shaping the need for the role within the foreign country, and also those that result in the evolution of these roles during their occurrence.

To gain such perceptions and a deeper understanding of the realities within MNCs, a case study approach was undertaken (Eisenhardt, 1989). This permitted not only insight from employees directly involved in expatriation, but also an exploration of the organisational context and relationships surrounding the expatriate assignment. With individual accounts, what is often seen as contingent or related varies according to an individual's viewpoint and is dependent on the particular theoretical framework that is chosen (Eisenhardt, 1989; Easton, 2010). Hence such relationship exploration was necessary and aided in the generation and advancement of theory (Piekarri and Welch, 2011). As such, when exploring the expatriate assignment, the relationship between organisational factors such as MNC structure and strategic priorities (e.g. subsidiaries roles/functions, organisational restructuring), as well as other environmental- (e.g. host country conditions, wider business growth), and individual-level factors (e.g. individual expertise, position, developmental needs) were also taken into consideration in order to highlight any interactions that might help to explain how the functions of AE managers are undertaken within foreign subsidiaries, and why these might differ from firm to firm. Case study research meant that the expatriate's role could be examined within its organisational reality, and a deeper look at how various roles fit in overall organisational goals could be achieved. Indeed, Almond and Ferner (2006) highlighted the usefulness of case study research, when examining how individual-level behaviour is informed by MNC strategic objectives. The following sections will go on to explain the nature of the research methodology.

3.3. Research Design: Why Qualitative Over Quantitative

This study aims to examine the extent to which existing theoretical models on expatriate functions adequately capture the roles that AE managers currently perform in MNCs, and explore how these functions are undertaken within local subsidiaries. In doing this, it aims to answer the following research questions:

- What functions do AE managers perform within MNCs and how are these functions inter-related?
- To what extent do existing theoretical frameworks on expatriate functions adequately reflect how these roles are undertaken by AE managers within the local subsidiary environment?
- What are the micro-level activities that contribute to the fulfilment of AE managers' functions within the foreign subsidiary?
- What factors within the MNC's environment help to shape the nature of the AE manager's assignment?

Because of the exploratory nature of these questions, and the need for rich and in-depth data, qualitative research was deemed to be the most appropriate. Van Maanen (1983, p.9) defined qualitative research as 'procedures for coming to terms with the 'meaning not the frequency' of the phenomenon. Qualitative research provides the researcher with a greater amount of flexibility, which was particularly crucial to this study as difficulties with research access into MNCs were anticipated (Marshall and Rossman, 2006, 52). More specifically, however, the research questions required a research design that would facilitate exploration of individual experiences, perspectives, and motivations behind specific organisational behaviours and decisions (Strauss and Corbin, 1998). It was important to gain an in-depth understanding of why managers were assigned to subsidiaries, how specific individual activities contributed to the fulfilment of these, and how their roles might be shaped by possible organisational and environmental factors. Past writers have also lamented on the lack of qualitative studies, which were necessary to explore the relationships and specific actions related to the operationalisation of expatriate functions (Hocking et al., 2004). The author aimed not only to highlight potential variance in the use of international managerial assignments, but also to explore in detail how the functions of AE managers are assimilated abroad.

3.4. Benefit of Case Study Research:

3.4.1. A Multiple Case Study Approach

A case study can either be conducted in isolation or alongside other case studies (Yin, 1994; Eisenhardt, 1989). One of the key benefits of this qualitative approach is that it offers several data collection techniques including interviews, questionnaires, and documentary analysis (Eisenhardt, 1989), some of which (e.g. interviews) were necessary in the current study, where gaining insight from individuals within the MNC context regarding the rationale behind using expatriate assignments was pertinent. More importantly, a matched case-study approach also offered several advantages, which will be outlined the following paragraphs. This case study method involves the use of a research strategy which examines a specific contemporary phenomenon within its real-world context, using various sources of evidence (Robson, 2002, p.178).

A multiple case study approach was perceived as most suitable for addressing the research questions previously outlined. Through a comparative analysis of various MNCs with their unique organisational contexts and circumstances, common factors that influenced the decision to use international management assignments could be highlighted. At the same time, because of the distinctiveness of each company's context, knowledge could be gained regarding the reasons for varying use and approaches to fulfilling the mandates of these assignments. Moreover, the impact of environmental factors (e.g. cultural distance; business challenges) within the context of the foreign subsidiary could also be examined at a more in-depth level tools (Almond and Ferner. 2006).

With regard to choosing firms, the researcher targeted MNCs that had wholly-owned subsidiaries within the United Kingdom, and where a global mobility program was present. It was also important to choose firms from internationally-integrated sectors and where many more highly-skilled professionals could be found (e.g. I.T., Communications, Financial, and Manufacturing). Firms were also originally chosen based on their country of origin (CoO), as it was the researcher's intention to compare the corporate policies and approach to expatriation across various countries. This was also the reason for selecting wholly-owned subsidiaries as it would facilitate better discrimination of CoO influences. Because of the strong emphasis on institutional influences in the early days of this study, the original intention was to collect data in six MNCs, which included

two companies from three countries where distinctive national business systems have been identified. Following this, between five to ten in-depth semi-structured interviews would be conducted with the key individuals within the UK subsidiaries of each company.

After a review of literature in national business systems (Whitley, 1992, 1999) and Varieties of Capitalism (Hall and Soskice, 2001; Hall and Gingerich, 2009), the three countries from which companies would be selected were identified as the United States (US), Germany and France as these were categorised within the literature under three economically, socially and politically distinct systems of Capitalism (Hall and Soskice, 2001). While the US was described a 'Liberal' or 'Arms-Length' market economy, Germany was seen as a highly 'Coordinated' or 'Collaborative' market economy. France, on the other hand, was classified by Hall and Soskice (2001) as a 'Mediterranean' market economy (pp.6-10), as it displayed some traits of the aforementioned market economies, along with its own peculiar national traits. As the literature examined in the previous chapter indicated, the behaviour of MNCs tended to reflect the differences and peculiarities of the business system in which they operate. Hence, it was believed that by comparing companies from three distinctive systems, the influence of country-of-origin would be better highlighted.

Despite good intentions, gaining access into companies from the selected countries proved to be a challenging exercise, and as a result, the original approach described above was amended, highlighting once again the flexibility of qualitative research design. Although over three hundred companies were contacted, full case-studies were gained only from MNCs of one of the countries chosen, namely the United States. Full access, however, was also gained into two Spanish MNCs. Hence, in light of the opportunities that were presented, the research pursued a matched case-study approach, comparing two MNCs from the US with two MNCs from Spain. While this still allowed for some institutional comparison, the emphasis on institutional influences on the nature and function of expatriation within this study was reduced. Nonetheless, these firms met other requirements in that they possessed an expatriate program, and had wholly-owned subsidiaries in the UK. The amendments to the method will be further addressed in the data collection section of this chapter. In this following section, the rationale for choosing US MNCs will be explored in more detail.

3.4.2. Rationale for Studying US MNCs

As stated within the literature, the United States is seen as a prime example of a 'Liberal Market' economy, and a product of the interrelation between idiosyncratic historical and institutional structures, which has provided a unique developmental environment for its MNCs (Ferner, 2000). Indeed, the United States is home to many of the largest and most successful multinational firms worldwide. Its international economic activities comprise around a quarter of the world's total foreign direct investment stock (UNCTAD, 2010, 2014), with a significant gap between this nation and the next closest country in this categorisation. With regards to HRM, the US is also seen as innovators and a source of global "best practice" (e.g., Pudelko and Harzing 2008), leading to the imitation of their practices by MNCs within other national regions. Ferner (2000) noted that given its position as a 'dominant economic power', MNCs from the US are often perceived as the benchmark for economic organisation and behaviour.

In addition to US MNCs being chief global economic players, there were also more practical reasons for selecting US MNCs as a site of data collection. There is a significant presence of US firms within the UK, with many of their global headquarters situated within London and other larger sites located in various regions. In some cases, the business of these firms drove the local economy in the area of the country in which they were located. It was believed that with the significant amount of these firms within the UK, choosing these would allow for wider research access. It was particularly important, considering the chosen research participants, expatriate managers, who, because the nature of their global responsibilities, are difficult to access. The sheer number and size of UK-based US MNCs, however, meant that there was a potentially larger pool of expatriate managers to contact, thus increasing the likelihood of gaining research interviews.

3.4.3. Rationale for Studying Spanish MNCs

Although it was not the original intention of the researcher to use Spanish MNCs within the matched case study, using these firms from Spain presented a unique opportunity to contribute to limited qualitative research on the nature and uses of expatriate management assignments within firms from this geographical location. Spanish multinationals have been identified as among the 'new multinationals' that have arisen from 'upper-middle income', or emerging and developing economies (Guillen and Garcia-Canal, 2010, p.4). These MNCs are described as having some

distinct and advantageous characteristics that assist them as they pursue global expansion. Among these characteristics are family ownership or control, which allow for quick decision-making, and financial support from state banks (Economist, 2010; Guillen and Garcia-Canal, 2010). These type of firms typically expand through multiple methods, some of which include mergers and acquisitions or joint ventures to wholly own subsidiaries (Guillen and Garcia-Canal, 2010, p.4). As a result, studying firms from this country provided the researcher with an opportunity to compare MNCs from a developed nation to those from a developing or middle-income economy. Several writers have commented on the pace at which Spanish MNCs have internationalised (e.g. Jiminez and Degado-Garcia, 2012). Over the last thirty years, Spain has grown significantly as an industrialised economy, with its infrastructural and financial services becoming increasingly globally competitive (Guillen and Garcia-Canal, 2010; Jiminez and Degado-Garcia, 2012).

With regard to making institutional comparisons, using Spanish MNCs did pose a challenge as many writers have commented on the ‘Americanisation’ of HRM and business practices in Spanish firms (See Ruiz and Lucio, 2010, p.1). Wachter et al. (2006) observed that the development of a weak management profession in Spain was due to the prevalence of family-owned, small to medium-sized firms. In previous years, Spain’s HRM and labour relations has been marked by low labour cost, and the resulting cost minimization strategies (Ruiz and Lucio, 2010). Moreover, the culture of training was almost non-existent and restricted to senior level management (Ferner and Quintanilla, 2002; Ruiz and Lucio, 2010). However, with the increased FDI flow and presence of MNCs, there has been considerable uptake of US labour relation and working practices over the past few decades (Clark et al., 2005, p.498). Aguilera and Dencker (2004) noted that such spill-over helped to modernise personnel system within this country, although others observed that this influence was typically more evident in larger organisations (Ferner, Quintanilla and Varul, 2001, p.121). This makes drawing inferences about possible country-of-origin influences on expatriate functions a perilous undertaking. This problem was further exacerbated by the varied nature of Spain’s geographic, linguistic and political heritage (Dolan, Diez-Pinol, Fernandez-Alles, and Martin-Prius, and Martinez-Fierro, 2004, p.162). Despite these factors, Spanish multinationals provide fertile ground for exploration given their increasing participation in global trade, particularly within the infrastructural, leisure and financial sectors (Guillen and Garcia-Canal, 2010).

3.4.4. The UK as a Host Country:

The reasons for using the UK as the main location for data collection are both pre-conceived and practical. Within the literature, the UK business system is described as a 'liberal market economy' (Hall and Soskice, 2001, p.8). Most notable about this type of business system is the relatively few institutional restrictions to the transfer of HR policy and practices (Dunning, 1998; Ferner et al., 2013). This made it fertile ground for investigating any possible CoO influences on the ways in which AE managers' functions were operationalised. Ferner et al. (2011) also observed that because of the highly internationalised nature of the UK economy, a 'heritage of exogenous influence' (p.484) allowed for further accommodating conditions for MNCs to pursue central control. Added to this, a significant number of multinational firms operated subsidiaries within the UK (UNCTAD, 2010, 2014), a region that has been considered to be a key player in international affairs. Moreover, it was ranked as the sixth-largest economy in the world in 2012 with a GDP of 2,471,784 (millions of US dollars) (World Bank, 2012).

3.5. Selecting a Sample

For this study, purposive sampling (Chien, 1981) was required as the information required could only be gained from two very specific employee groups within the MNCs. These two groups consisted of those managers who organised the international assignments to the UK, and those managers who were assigned to UK head offices. In order to uncover and explore the motivations behind companies' decision to send AE managers to foreign subsidiaries, it was important to speak with personnel within the MNCs, who bore responsibility for organising such assignments. These individuals would be best positioned to provide detailed knowledge of the process of expatriation, as well as the rationale behind sending specific individuals from other global locations to work within the UK. More often than not, the global mobility function was housed within the Human Resources department of these firms and headed by either HRDs or by recruitment, talent management, or reward specialists. In other cases, a separate department was dedicated to this function and was run by a global mobility manager (GMM). In addition to being able to offer key insight into the governance of international assignments, these individuals were also organisational 'gate-keepers' as they possessed the power to grant or bar access to research participants, as well as the means to facilitate such access (King and Horrocks, 2010). The second group sought after by the researcher was AE managers based within the UK, who were the main focus of this

particular study. From these individuals, insight could be gained about what functions expatriate managers performed when assigned to the UK, how these functions were typically operationalised, and what was the need for the particular role at the specific point in time.

3.6. Data Collection:

3.6.1. Identifying Companies and Gaining Access

Prior to interviewing, several companies were identified using online databases and company directories (e.g. FAME, Fortune5000, Forbes, and the Personnel Manager's Yearbook 2012, 2013). From these sources, a list was compiled, comprising of US, German and French MNCs that had wholly owned subsidiaries within the UK. Following this, the researcher utilised company websites, printed directories and professional sites such as LinkedIn to identify the HR directors or global mobility managers within these firms, and then these individuals were contacted via telephone and email. Where internal contacts could not be identified, research letters were mailed to their UK head offices requesting interviews with the necessary employee groups. Research access was also gained into one American firm through the researcher's pre-existing contacts within the HRM department. From the individuals contacted, permission was requested to conduct an interview with themselves and with the AE managers assigned with their UK head office and or subsidiary locations.

After several months of contacting firms and receiving little to no responses, the researcher chose to include firms from other nationalities, and hence extended the original company contact list. Hence, letters and emails were sent out to these firms and, where contacts could be found, phone calls were made to the relevant personnel. In the end, the researcher gained varying access into twenty-two firms from a range of countries. These countries include the US (5), France (5), Japan (3), Denmark (1), Germany (3), Spain (2), India (1) and the UK (1). Within each of these firms, an interview was arranged with an HRD or GMM who was responsible for the coordination of international assignments within the UK. Out of the twenty-two firms, interviews with both gatekeepers and AE managers was only gained within eight firms, and of these eight firms, interviews with five or more AE managers could be only obtained within four firms. Inability to gain access to more AE managers was for a number of reasons, including the availability of these individuals and companies' desire, in some cases, to protect the identity of their overseas staff. Regarding the

former reason, many AE managers had global responsibilities and hence travelled often for work purposes. Additionally, they operated at a very senior level within the firm, which meant that, given their significant responsibilities, there was little time to allow for an in-depth interview. With regards to the latter reason, many HRDs and GMMs explained that they would also require permission from the head office in the home country for such a sensitive request, and where such permission was granted, it would not be to a research student. As a result, a slight diversion from the originally intended methodology was necessary and will now be further explained.

3.7. Major and Minor Case Studies

As stated previously, the nationalities of the eight MNCs in which access to both HRDs/GMMs and AE managers was gained included the US, France, Japan, Spain and Germany. Out of these eight, interviews with five or more managers were gained only from MNCs of one of the countries originally chosen, namely the United States. In addition to this, however, full access was gained into two Spanish MNCs. Hence, in light of the opportunities that were presented, the researcher a matched case-study approach was still pursued, but comparing two MNCs from the US with two MNCs from Spain. Although Spanish MNCs were not originally pursued, these firms still met the requirements of the study as they were both in knowledge sectors (I.T., Finance, Communications), had wholly-owned subsidiaries within the UK, and had significantly developed global mobility programs. Moreover, as they were from a different geographic region than the U.S., the comparative country-of-origin element was still satisfied.

With regards to the firms from the other three countries (France, Germany and Japan), it was decided that these would be used as minor case-studies, following the approach of Almond and Ferner (2006). In each company, less than five interviews were gained (See Table 3.1), however as these interviews included key senior expatriate managers and other key personnel (e.g. HRD, GMMs), they will be used alongside the major case studies to provide further insight into possible variations in the use of international assignments within MNCs. Moreover, as they covered different sectors, knowledge regarding the influence of organisational factors in shaping the nature of international assignments might also be revealed. Hence, while the major case studies allowed for discussion with a variety of respondents across various organisational functions, levels, and units (Almond and Ferner, 2006) regarding expatriate processes, roles and relationships, minor

case studies involving key gatekeepers provided further expert knowledge on firms' rationale and motivation behind expatriate use. The below table outlines the companies utilised as major case studies. The minor case study firms will be outlined in Chapter 8, which expands further on the information gained from those MNCs.

CO.NAME, UK office(s)	Parent Country (HQ)	Annual Revenue (£)	Employees	Countries Operational	Industry	Interviews gained
MANCO, EngCo	US	32.3bln	105, 000	182	Conglomerate/ Industrial Goods	7
MEDCO, HealthCo	US	117.4bln	333, 000	180	Diversified Machinery/ Industrial Goods	5
MONCO, CoinCo	Spain	977mln	193, 863	33	Financial/Banking	5
COMCO, CallCo, DigiCo	Spain	36.7mln	125, 000	21	I.T./Telecommunica tions	6

Table 3. Presentation of major case study firms: key company information

3.8. Data Collection: Use of Semi-Structured Interviews:

For this study, it was important to use a data collection method that allowed for in-depth description and exploration into the chosen topic, while adequately addressing the proposed research questions, and so semi-structured interviews were chosen. Semi-structured interviews remain one of the most widely adopted data collection methods when conducting qualitative research (Cassell and Symon, 1994, 2004; Symon and Cassell, 2012). Wilson (2014) described a semi-structured interview as one where there were pre-defined questions as with a structured interview, but which also allowed for open-ended exploration similar to an unstructured interview (p.24). The use of semi-structured interviews offered several advantages in this particular study. In assessing the qualitative research interview, Kvale (1983) observed that such interviews were aimed at examining the research phenomenon from the perspective of the interviewee in order to comprehend the 'how' and the 'why' he or she might hold the particular view. In addition to allowing for an in-depth exploration of the research topic, however, the use of a research guide with pre-set questions (See Appendices) ensured that the focus of interviewees remained directed towards the particular research objectives (Bryman and Bell, 2003). This interview format allowed

the research to gain knowledge on a known set of topics, and also explore new topics and areas as they emerged as a result of interviewees' responses. Moreover, a less structured and more flexible research method was required in order to fully explore the issues under examination. Such interviews provided the opportunity for interviewees to 'go off on a tangent' (Bryman and Bell, 2003, p342), hence facilitating further explanation of the motivations and rationales behind organisations' use of international assignments.

Prior to collecting data, two separate interview guides were prepared for the two groups of employees being interviewed (See Appendices). The first interview guide was for those interviewees who organised international assignments within the chosen firms (e.g. HRDs, GMMs) and hence these questions focused on how international assignments were organised and utilised by the organisation. Questions were also aimed at finding out about the volume and direction of expatriate flows to and from the UK as this could provide further insight into the purpose of the assignment. These individuals would also be asked about the policies which govern international assignments, and about possible changes in the nature and use of international assignments during their time with the firm. The themes focused on in these interviews were expatriate flow, reasons for assignment use, policies governing international assignments, and monitoring the return-on-investment (ROI) of these assignments. The second interview schedule was designed for AE managers and focused more on why these expatriates were sent to the UK, how the expatriate roles were carried out on a daily basis, and how these roles related to the firms' overall corporate vision.

In total, fifty interviews were gained across twenty-two firms of varying nationalities (outlined previously). The majority of interviews were involving AE managers, and were conducted face-to-face within the subsidiary that the interviewee was based. Many writers have noted the advantages of face-to-face interviews, some of which include better and longer explanations, increased accuracy, and greater legitimacy (Hague et al. 2004; Neelankavil, 2015). While these benefits have also been observed by the researcher, this was not possible for some interviewees, whose schedules and or geographical location would not permit. This was particularly the case with some of the global mobility organisers, who were based within the MNCs' global headquarters. Where this was the case, the researcher opted to use telephone interviews. Neelankavil (2015) observed that this type of interview not only helped to overcome the challenge

of wide geographical dispersion, but it also provided more comfort and confidentiality for apprehensive respondents. Accompanying these advantages, however, are specific short-comings which often include limited time and in some cases explanations, absence of face-to-face contact, and restriction of technology (Swanson, 1993; Sekaran, 2000; Neelankavil, 2015). Indeed, the latter was experienced, as three were deemed unusable, because of difficulty with phone quality, translation and interview transcription. Hence, forty-seven interviews were used in the final analysis. Of the forty-seven interviews, twenty-seven were conducted with AE managers, while the remaining twenty was conducted with GMMs/HRDs based within either the UK, regional, or global headquarters of the chosen MNCs.

3.9. Secondary Research: Documentary Analysis:

Case study research, while providing rich contextualisation and several perspectives from key figures, is very subjective by nature, and as a result necessitates the triangulation of data (Harris, 2001). Hair et al. (2011) noted that data triangulation was perhaps ‘the most important concept in establishing credibility of qualitative research’ (p. 289). Indeed, it ensures that data or research methods were validated through the verification by different sources (Miles and Huberman, 1994; Yin, 1994). Hence, to verify the perspectives expressed by company respondents, semi-structured interviews were supported by secondary documentation. Documentation including company annual reports, expatriation policies, past academic and consultancy research, news articles, and company website publications were analysed and compared with the data collected from interviewees (See Appendices). To illustrate the usefulness of these, annual reports were used to confirm key information about the organisation and its objectives that was offered by interviewees within the specific case study firm. In addition to information from companies’ global headquarters, specific data about the individual subsidiaries where the interviewees were based was also collected. Such information was useful in identifying the particular strategic focus of the subsidiary, which lent to a deeper understanding of why expatriate managers were assigned to that UK location.

At times, it was difficult accessing information on some of the companies interviewed. In some cases, limited online information could be found on UK-based Spanish organisations. While the GMMs within the major case study companies offered information more freely, this was not the

case with some of the minor case study firms interviewed. As a result, there was some disparity in documentary support provided, particularly for the minor case study firms, which could affect the robustness of data triangulation for this group of companies. However, more about how data reliability and validity was ensured will be discussed within the following section.

3.10. Reliability and Validity of Data:

In any research project, the reliability and validity of the data collected is arguably among the primary concerns and must be ensured in order to offer robust conclusions to a specific research area. Mays and Pope (1995) declared that the benchmark of qualitative research should be ensuring reliability. Similarly, Lincoln, Lynham and Guba (2011, p.120) stressed the importance of knowing that research findings were authentic enough to allow for practitioners to act on their implications. The extent to which research findings are sufficiently robust is very much dependent on how research data is collected, analysed and interpreted, as well as how the findings of such data is presented (Merriam and Tisdell, 2016, p.238).

Validity in qualitative research referred to whether a researcher's claims to knowledge correlated to reality (Silverman, 2010; Seidman, 2013). The subjective nature of qualitative research design has caused many to question the application of 'reliability' and 'validity' constructs to qualitative data as opposed to quantitative data. Others, however, have instead questioned the appropriateness of subjecting qualitative data to constructs or definitions of reliability and validity that were more suitable for quantitative paradigms (Straus and Corbin, 2008; Klenke, 2008). Unlike quantitative research design, which stressed the importance of concrete evidence and findings, the nature of qualitative research focused on how people act in events. As a result, the findings of such research needed to provide enough details for the reader to make sense of the author's conclusions (Firestone, 1987, p.19). With regards to ensuring validity in qualitative research, many scholars have observed the need to redefine this to fit with the realities of qualitative methods (Strauss and Corbin, 1990, p.250). While in quantitative research, internal and external validity refers to the ability to show cause and effect and generalise from research findings, Klenke (2008) noted that questions regarding the rigor and quality of research might be based on unclear and ambiguous criteria. Instead, many have suggested that the terms 'internal' and 'external' validity be paralleled with the terms 'credibility' and 'transferability' (p.38). Within a qualitative setting, credibility

speaks to how believable the findings are from a participant standpoint, and transferability refers to whether findings might be transferred to other settings (Klenke, 2008).

Silverman (2005), noted, however that reliability can be enhanced by the researcher through several means. Among these were the recording of interviews and detailed note-taking in the form of transcribed data. In this present study, the recording of data offered two primary benefits. The first was an accurate and holistic account of the conversation with the research participant. As Vygotsky (1987) observed, the opinions spoken by participants during interviews reflect their consciousness. He believed that individuals' words were the embodiment of their thoughts and any substitution of these would in fact be the substitution of their consciousness. In line with this thinking, it was important that all of the information being offered by participants was fully captured, in order to facilitate the holistic interpretation of data (Silverman, 2005; Seidman, 2013). The second key benefit of recording was that it allowed the researcher to interact fully with the participant during the interview. Despite this, some short notes were also taken during the interview to further enhance reliability and validity.

As mentioned in the previous section, triangulation of data was another means of ensuring the credibility of the data collected. To find out about the purposes, organisation and execution of expatriate assignments, interviews were first arranged with either a Global Mobility Manager (GMM), a Human Resource Director (HRD), or another individual with the HR department who was responsible for the organisation of international assignments within in company. The information gained from this individual, was triangulated with information gained from assigned expatriate managers, who provided more detailed information about their individual roles and how these roles fit into overall organisational objectives. A comparison of the data gained from these two groups of employees also offered multiple employee perspectives on the purpose of companies' international management assignments.

With regards to the minor case studies, where interviews could not be gained from AE managers within the specific company, data gained from GMMs were triangulated using secondary data including company reports and expatriate policies. Journal articles and consultancy surveys were also useful in providing data about changes in the flow of expatriation and the demands for particular expatriate roles over the years (e.g. Dobbs et al, 2015). To further increase the credibility

of the data collected, follow-up interviews were carried out in the various companies interviewed to ensure that the information gathering in the original interview was accurate. Moreover, where there were gaps in the researcher's interpretation and or understanding of respondents' previous answers, further clarity was provided. This was particularly important as the majority of the interviews were conducted between 2012 and 2013. Hence, follow up interviews also ensured that the previously collected data remained relevant and timely (Merriam and Tisdell, 2016).

3.11. Data Analysis

It was important to begin the data analysis process before the data collection process was complete (Eisenhardt, 1989; Ghauri and Gronhaug, 2005; Yin, 2011). Miles and Huberman (1994) believed that interweaving both processes allowed for the development of theory during the collection phase. This 'iterative process' (Klenke, 2008, p.67) is particularly important with case study research, which produces large amounts of data, which presents a challenge to mechanical manipulation, analysis and data reduction (Yin, 2003; Ghauri, 2004). For this particular study, three techniques were utilised, including template analysis (King, 1998), within-case analysis (Miles and Huberman, 1994; Ghauri, 2004), and cross-case analysis (Eisenhardt, 1989).

In this study, template analysis (King, 1998) was utilised as a pre-determined set of codes from a review of the existing expatriate literature was adopted in order to organise the data under key themes. With regard to expatriate functions, these codes were primarily taken from Edstrom and Galbraith's 1977 framework and hence the three primary codes were knowledge transfer (KT), management development (MD), and coordination and control (CC). These categories were maintained as they were repeatedly confirmed by subsequent studies in the field (Bonache and Brewster, 2001; Hocking et al., 2004). Moreover, while the interview questions allowed for the potential identification of additional expatriate functions, through the use of open-ended exploratory questions (e.g. what is the purpose of your assignment?), the primary aim of this study was to examine the way in the functions outlined in previous literature were operationalised simultaneously. With template analysis, however, the amalgamation of an inductive and deductive approach allowed for further development and adaptation of these codes during the data collection and analysis process (Yin, 2015; Neerguard and Ulhoi, 2007; Klenke, 2008). Boyatzis (1998) believed that this process involved 'recognising an important moment and encoding it', prior to

the formation of a code (p.1). With the use of a pre-determined list of codes for expatriate functions, patterns, relationships, and themes could also be identified, which allowed for hierarchical sub-division to facilitate the further data analysis (Saunders et al., 2003). As such, during the process of examining interview data, each of the three functions outlined by Edstrom and Galbraith (1977) were broken down into smaller sub-categories, and interviewee responses reflecting a shared meaning organised under the appropriate category. Hence, the sub-categories chosen was also highly influenced by the data, where interviewees' responses determined which knowledge transfer roles were highlighted (e.g. knowledge acquisition, knowledge diffusion, knowledge facilitation or knowledge translation). Similar to the three main categories of expatriate functions, however, the sub-categories were also informed by pre-existing literature on the main functions.

While Edstrom and Galbraith's framework was utilised to identify and capture the purposes of interviewees' assignments, the career capital theory (De Filippi and Arthur, 1994), was used to analyse how expatriate assignments fulfilled their intended purposes. Particularly, it was applied to the examination of expatriates' management development while on assignment. The three career capitals, knowing whom, knowing how, and knowing why, were used to capture how the expatriate experience aided in the development of future organisational leaders. It also informed the discussion on how assignees sent for the same purposes (e.g. knowledge transfer, management development) might have entirely different expatriate experiences, which each assignment focussing on the acquisition of different knowledge processes and development of particular skills (e.g. gaining cross-cultural operational knowledge, knowing how, versus expanding local contacts, knowing whom). As such, this framework was also useful for highlighting the overlap between the KT and the MD functions by indicating the types of knowledge gained by interviewees. As such, it was useful in creating a categorisation which captured the outcomes and value of the expatriate assignment, with interviewee examples being used to indicate the level at which the assignment contributed. Particularly, the contribution of the assignment to the individual's personal and professional development, as indicated by the data, was organised and further sub-divided according to the different career capitals during the analysis process in order to keep track of the assignment's value. The decision on which interviewee examples to include in these sub-categories depended on an understanding of the common meaning of the career capitals as outlined in the literature (e.g. De Filippi and Arthur, 2001; Inkson and Arthur, 2001), and expressed by the research

participants.

While the career capital theory was useful for analysing the individual-level contributions of expatriate assignments, the dynamic capabilities view (DCV) was used to outline how the skills gained on assignment were linked to development and strategic growth within the organisation. During the interviews, in addition to being asked about what skills they gained on assignment, AE managers were also questioned about how skills gained at an individual level aided in the fulfilment of the firm's strategic objectives. Where interviewees indicated that their acquired skills were of value to the organisation, such skills were examined through the lens of the dynamic capabilities identified by Teece (2007) (sensing and seizing new opportunities; reconfiguring organisational resources for competitive advantage). Such information was gained in the initial and later follow-up interviews through probing assignees about how the individual expatriate experience led to a fulfilment of individual-, organisational- and subsidiary-level objectives (Harzing, 2004). Where specific company examples were provided, these were categorised according to the level of the organisation at which they contributed. The DCV framework aided in this process by highlighting how specified individual action by an expatriate manager was necessary in order for the MNC's organisational objectives to be achieved.

With the formation of categories and sub-categories using the above-mentioned frameworks, the 'abductive' approach (Dubois and Gadde, 2002), that is constantly moving between established theory and the empirical data collected, is evident. This method is particularly useful in case study research, where several inter-related elements can pose a challenge to the analytical process. By weaving between the empirical data and theory, the research gains a more holistic understanding the existing concepts and the phenomena under observation (Dubois and Gadde, 2002; Van Maanen et al. 2007; Guest, McQueen and Namey, 2012, p.7). It was particularly useful in this study, as it was hoped that new expatriate roles might be uncovered. In line with the more exploratory nature of the study, the researcher read and re-read the interview transcripts in order to identify not only key words and themes, but also to uncover any novel ideas or occurrences within the data that did not fit with existing descriptions of expatriate roles (Rice and Ezzy, 1999, p258; Guest et al., 2012). Following the identification of repeated patterns or themes across the set of data, codes, these being brief symbolic phrases which embodied the attribute under investigation (Braun and Clarke, 2006; Saldana, 2009), were developed. While specific qualitative software

programs (e.g. NVivo) can also be used to carry out this process, it was decided that this process would be undertaken manually in order to become more familiar with the data and to increase control of this process (Saldana, 2009). To facilitate this process, four transcripts (two GMMs, and two AE managers) were selected as pilots, and the existing codes were adapted after repeated manual observations and analysis.

Once templates were developed, the next step was to conduct a within-case analysis (Miles and Huberman, 1994). During this process, a detailed narrative of each major case study firm was created in order to allow for a deeper social understanding of the individual company, more specifically its surroundings and experiences (Esin, Fathi and Squires, 2014). To make this process possible, detailed notes taken during and after each interview, along with transcripts and company documents and reports, were used to compile a background and detailed account of each major case study firm and their UK subsidiary where the research was primarily conducted. This helped to provide a holistic picture of each MNC's unique social reality, which would help to highlight those relationships and circumstances that helped to shape the objectives and outcomes of expatriate assignments with forerign subsidiaries. Flick (2014) noted that narratives also provided insight into the meanings generated by individual employees. In order to further develop the narrative of each firm, and to manage the volume of information, transcribed respondent data from each case study was organised into a table under key themes, using a method similar to Miles and Huberman's (1994) data display and reduction approach (See Appendix). This table allowed for the condensation of raw data, leading to a focus on the more pertinent research phenomenon (Lewis, 2007). Moreover, organisation of data into a matrix structure supported further identification of themes, comparison of employee responses, and the emergence of patterns related to the use of expatriate assignments. Once matrices were created, a repeated analysis of these led to the further development and revision of narratives. These developed narratives acted as 'storylines' (Keegan, 2009, p.231) and allowed for the understanding how the individual roles of AE managers fit into overall organisational objectives. It also highlighted disparities between the HRD's/GMM's understanding and AE managers' understanding of the purposes of the international management assignment.

After a detailed individual analysis of each case study was compiled using the above-mentioned approaches, the notes from each study were then compared with other case studies, using a cross-

case analysis approach (Eisenhardt, 1989). This was when the researcher looked for patterns or commonalities among cases, after several observations of various cases. One of the main advantages of this was mitigating the effect of agency when drawing particular conclusions from individual interview data. Eisenhardt (1989) noted that this particular technique was driven by the acknowledgment that ‘people are notoriously poor processors of information’ (p.540). Indeed, other researchers over the years have made similar observations, recognising that individuals often jumped to conclusions based on limited data, and were moved by vivid events and influential individuals (Tversky and Kahneman, 1973; Nisbet and Ross, 1980; Miles and Huberman, 1984). Hence, to minimise arriving at false conclusions, it was important to compare the data gathering from each case study firm with data from other major and minor case study firms. This process was particularly helpful in developing the conceptual frameworks created in the following discussion chapter.

The first conceptual framework identified in the following discussion chapter was created and emerged as a result of need to indicate the simultaneous occurrence of various expatriate functions, as this was an observation expressed across all of the major and minor case study firms interviewed. The columns outlined in this framework (e.g. functions, influencing factors, application, objectives, role processes) were decided upon after identifying commonalities in the operationalisation of expatriate assignments across the major and minor case study firms. The inclusion of these columns were also influenced by previous expatriate literature (e.g. Edstrom and Galbraith, 1977; Hocking et al., 2004). For example, the assignment applications column was inspired by Hocking et al.’s (2004) conceptualisation of the organisational levels at which the assignment contributed. After these various elements were identified, they were verified during follow-up interviews with the GMMs, HRDs and expatriate managers who took part in the study. Regarding the second conceptualisation framework on assignees’ individual role processes, the nine role processes included were also decided upon based on previous literature (e.g. Johnson and Buxton, 2010), and the identification of common expatriate actions as outlined repeatedly by interviewees across the major and minor case study firms. Follow-up interviews were also useful in ensuring that the particular role process identified was accurately portrayed. Within this framework, quotations from interviewees were included in order to provide an example of what the role involved and why it was important.

3.12. Research Limitations

Despite the flexibility provided with the use qualitative research design, Marschan-Piekkari and Welch (2004) noted that it was far from being considered a universal science. While this research method did indeed make allowances for the particular challenges faced, for example restricted research access, the varying access between the case studies included in this study does present some limitations. It would have been ideal to gain interviews with a larger number of expatriate managers within the minor case study firms as this would have offered a greater understanding into why the functions described by the firms' HRDs/GMMs were necessary within the chosen context and how these were actually undertaken. Also, the limited and varying amounts of secondary documentation provided across both major and minor case study firms meant that there was better triangulation of information with some firms and not in others. The researcher attempted to remedy this by sourcing key information online and contacting firms for further documentation and follow-up interviews. While some firms responded positively, additional information and interviews could not be gained for all firms.

Another possible limitation was the varying conditions under which the research data was collected. While the majority of data from the major case study firms was collected via face-to-face interviews, this was not the case for the minor case study firms where the majority of interviews were conducted via the telephone. Gwartney (2007), among others, observed that face-to-face interviews offer certain advantages over telephone interviews, in that they allowed the researcher to pick up on both verbal and non-verbal cues (Kappas and Kraimer, 2011; Roller and Lavrakas, 2015). Indeed, it is possible that potential actions or non-verbal responses might have further contextualised interview experiences. The researcher also observed that on the telephone some interviewees were less forthcoming when asked about the nature of AE managers' roles within UK-based subsidiaries. The level of detail and engagement experienced when using the face-to-face interviews was not experienced with several of the minor case study interviewees who were interviewed by telephone. This was indeed another short-coming of using this method as observed by past writers (Roller and Lavrakas, 2015). It is believed that this was partially due to a lack of trust as there was no contact or relationship with the researcher prior to the interview and hence some individuals were a bit apprehensive about divulging confidential company information.

The number of interviews gained across the twenty-two organisations might also been seen as limitation. Ideally, a larger sample size would have been preferred with about five to ten interviews conducted within all the firms accessed. However, as difficulties with research access within MNCs had delayed the data collection and research process by more than a year, it would have been unwise and unaffordable to continue waiting until the initially hoped for numbers of interviews were gained. While the necessary information was still gained through the revision of the original case study method, the relatively small number of interviews requires that care should be taken when drawing conclusions or seeking to make any generalisations with regard to the nature of expatriate functions within foreign subsidiaries.

3.13. Presentation of Research Findings:

The below diagram depicts the major themes that emerged from both a review of the literature, and an analysis of the interviews findings within each major case study firm.

<i>Structure of Findings: Themes</i>
1. Nature of Expatriate Assignments
- Assignment Purposes: Reasons for using AE Managers
- Nature of AE Managers' roles in foreign subsidiary
2. Assignment Monitoring and Outcomes
3. Changes in Expatriate Use

Table 4: Structure of findings (Key themes)

When writing up the findings chapters, the researcher originally sought to structure each chapter on the basis of expatriate functions. However, in doing this it was soon realised that key organisational information which helped to contextualise assignees' roles, was not being given full attention. As a result, the decision was made to organise the chapters according to the case study firms. Hence, a chapter was dedicated to each of the four major case study firms (ManCo, MedCo, MonCo, ComCo). This allowed for a deeper organisational level analysis, which lent to a better understanding of why particular assignees' functions were deemed necessary within the UK, and how these fit into companies' overall global strategic objectives. A fifth findings chapter was then dedicated to the data findings of minor case study firms. As very few interviews were collected

within each of these firms, and the majority of these were with GMMs/HRDs who organised international assignments, it was not necessary to separate these on a firm by firm basis. Rather, interview findings were compared across companies in order to gain a general idea of how international management assignments were organised and used. As these firms were from a range of different countries, it also allowed the researcher to explore possible diversity in the way that assignments were used and examine possible reasons for this.

The following chapters will present individually and in some detail, the findings from each of the four main case study companies, beginning with the US manufacturing firm ManCo. For each major case company and chapter, the structure of data presentation will remain the same to ensure consistency and ease of reading. This structure consists of several themes emerging from the literature (Edstrom and Galbraith, 1977; Hocking et al., 2004) and an analysis of the data. Information gained from the research interviews will be outlined under three main themes, including *Nature of Expatriate Assignment*, *Assignment Monitoring and Outcomes*, and *Changes to Expatriation*. At the beginning of each chapter, a brief description of the company's subsidiary and those who were interviewed will be provided. Then, under the first theme highlighted above, the reasons for using AE Managers, along with the nature and contribution of their assignment will be outlined. Under the second theme (assignment monitoring and outcomes), the findings will focus on how firms were able to monitor the extent to which each individual assignment achieved its intended purposes. The third theme focused on whether any changes in the nature of expatriation with the MNC had been observed by the respondents over the years. In each chapter, the researcher sought to balance interpretations of the data with an in-depth knowledge and understanding of the case study firms included, as well as key characteristics of those AE managers interviewed.

CHAPTER 4: PRESENTATION OF CASE STUDY: EXPATRIATE ROLES IN MANCO

4.1. Introduction

This chapter is the first of five findings chapters, each of which will outline the data from the major and minor case study firms. Here, the responses of interviewees within the first major case study firm, ManCo, will be presented. First, key background information, collected through primary and secondary data (interviews, articles, company reports and websites), on this firm and its UK-based subsidiary, EngCo, will be offered. This will be followed by a brief description of those individuals within ManCo who agreed to be interviewed. After the key background information of the company and its interviewees are provided, the chapter will then go on to outline the reasons for using expatriate assignments within the UK location. Once the reasons have been highlighted, these will be separated into individual sections and explored further. Additionally, how these roles are monitored, and their impact within the MNC will be explored. Finally, any changes in the nature of expatriation as observed by interviewees will be outlined.

4.2 ManCo Company Background

ManCo was formed through the merger of two manufacturing firms and has been in existence for more than fifty years. Its main headquarters employs 30,000 individuals and is located in the Midwest region of the US, where this company drives and sustains the economy in this part of the state. Prior to the 1990s, its company structure might have been described as centralised, and consisted of four key functions, these being engineering, finance, manufacturing and marketing. As it expanded globally, however, increasing bureaucratisation and difficulties in coordinating organisational activities globally led the firm's leaders to revisit their structure. In order to ensure that decision-making was unimpeded and information could flow easily from one unit to another, ManCo sought to decentralise by dividing its main divisions into a number of smaller semi-autonomous sub-divisions, with each division expected to produce a percentage of the return on assets.

Outside of its home country, ManCo employs over 100,000 employees worldwide. Its businesses

are organised into four key regions (mentioned in order of performance), these being North America, Asia-Pacific, EAME (Europe, Africa, and the Middle East) and Latin America. Currently, ManCo is headed by a CEO who has five direct reports, known as group presidents. These group presidents manage the range of business units called divisions. Each of these divisions has five to six direct reports, who are vice-presidents and officers of the company. Hence there are about thirty business units, each of which is headed by a vice-president. These vice-presidents also have a number of direct reports, which include the general managers at key global facilities. This structure might be described within the international business literature as a 'worldwide product structure' (Stopford and Wells, 1972; Egelhoff, 1988).

In terms of its international strategy, ManCo reflects what is described in the international business literature as a transnational company (See Bartlett and Ghoshal, 1989) as it simultaneously prioritises the need for global integration, local responsiveness and worldwide learning. In the 1980s, competition from Japanese firms offering low-cost alternative forced ManCo to consider greater cost economies. This coincided with the need to comply with varying local building practices and regulations, and hence the need to be locally responsive. As a result, this company sought to invest in a few large-scale component manufacturing plants following the redesign of their products in a way that allowed them to use several components, in order to meet global demands and achieve scale economies. Parallel to this was the centralised manufacturing of key components at assembly plants located in each of its major global markets. The components developed at these plants were then tailored to suit preferences within the local environment. This allowed ManCo accrue the benefits of global manufacturing as well as address the pressures of local responsiveness. By the early 2000s, they had managed to greatly decrease their overall manufacturing cost structure while almost doubling their output per employee, as they began to regain their market share from Japanese competitors.

4.3. Interviewees in ManCo, UK: EngCo

EngCo is the UK headquarters of ManCo, and where the majority of the company's smaller product lines are manufactured. This is one of the organisation's key strategic centres in Europe, with over two thousand employees at this location. At the point of interview, there were about ten expatriate managers assigned within EngCo. Below, Table 5 provides a brief description of the respondents

who agreed to be interviewed within ManCo. This information was gathered in order gain some insight into what type of employees were sent on international management assignments, and well as some indication of their functional and professional expertise.

Respondent	Department	LOE	LOA	Expatriate type	Previous assignments	Management level
R1 (HRD)	HRM	9yrs	N/A	N/A	N/A	high
R2	Marketing	27yrs	7.5yrs	PCN (US)	4	high
R3	Finance	10yrs	2.2yrs	HCN	1	high
R4	Marketing	15yrs	2yrs	PCN (US)	Many ST trips	middle
R5	Finance	6yrs	3-4years	TCN from PC	1	high
R6	IT	13yrs	2-3yrs	PCN (US)	1	middle
R7	MD	23yrs	2-3yrs	TCN (Swiss)	3+1 ST	high

Table 5: Profile of respondents. LOE=Length of employment, LOA= Length of assignment, ST=short-term, PCN=parent country national, HCN=host country national, TCN=third country national

Six of the managers, as well as the subsidiary's Human Resource Director (HRD), who organised international assignments between ManCo and EngCo, agreed to an interview of between sixty to ninety minutes. Of the six AE managers interviewed, four managers were assigned to the UK from US offices, one manager was assigned from a Swiss subsidiary, and one was an HCN who had recently returned from an assignment in the US, and one was a HCN who had recently return from a US regional location. All of these managers had also been based within the ManCo's US headquarters at some point in their career. To protect their anonymity, each manager was given a pseudonym. The AE managers interviewed were based within EngCo's marketing division (R2, R4), finance division (R3, R5), and the IT division (R6). One interviewed also included the unit's general manager (R7). The information provided by interviewees will now be outlined below using the format outlined in Table 4 in the previous chapter.

4.4. Assignment Purpose: Reasons for Using AE Managers

In line with the research questions, the interviewer aimed to find out about the nature and use of expatriate assignments within the current MNC context. One of the key objectives was to understand why AE managers were assigned to foreign subsidiaries, in order to understand the

extent to which Edstrom and Galbraith's 1977 framework still adequately captured the functions that expatriate managers currently perform. Hence, interviewees were first questioned about why AE managers were assigned to foreign subsidiaries. To gain such knowledge, it was important to interview not only AE managers, but also the individual who was charged with the organisation of such assignments, and hence possessed specialist knowledge of the subject. So, prior to speaking with the AE managers based within EngCo, the HRD, or R1, who had responsibility for global mobility in ManCo's UK headquarters, and who provided access to the AE managers in EngCo, was first interviewed. The main reasons for using international management assignments as indicated by interviewees are identified in table 5 below. When asked about the purposes of assigning managers to overseas subsidiaries, the seven interviewees listed a variety of reasons.

Assignment Purpose	R1 (HRD)	R2 (Marketing)	R3 (Finance)	R4 (Marketing)	R5 (Finance)	R6 (IT)	R7 (MD)
Knowledge Transfer	*	*	*	*	*	*	*
Management Development	*	*	*	*	*	*	
Coordination and Control			*			*	*

Table 6. Main reasons using international management assignments in ManCo

Within the UK location, EngCo, the type of international assignments used included a mixture of long-term and short-term assignments. While the longer-term assignees were deemed to be expatriates, employees on shorter term assignments (less than one year) were referred to as International Service Employees (ISEs). The HRD, R1, indicated, however, that the preference was more towards longer term assignments, which were typically for a minimum of two years and lasting up five years depending on the role of the assignee. When asked about why ManCo sent expatriate managers to EngCo, R1 made it clear that international assignments were typically used for more than one reason at a time. He stated that the majority of expatriate managers sent to this location were assigned within one specific business division which concentrated on the

manufacturing of building products, and the reasons for assignment to this business and the UK location in general were for knowledge transfer and management development. However, he stated that the primary reason was knowledge transfer, stating that these individuals were assigned to foreign locations mainly because of their specialist skills. About this, he stated:

“They are here to predominantly because of the skills that they possess. ManCo’s approach to the IA [international assignment] programme is that it needs to be something that is going to be of benefit both to the individual and the company so from an individual’s point of view personally, how are they going to benefit from the experience”

- R1, HRD (EngCo)

Here he highlighted the dual purpose of such assignments, pointing out that while assigned managers were sent in order to transfer specialist skills, their other professional priorities could not be separated from this role. He stressed that it was important that both the individual manager and the organisation gained value from the assignment. It was also stated that the majority of those individuals assigned at a middle management level were coming over to the UK primarily for their own personal development, while more senior level managers were assigned because they had a specific skill or expertise to transfer. Regarding the assignment length, short-term assignments would typically be used for knowledge transfer, particularly with regard to transferring expertise on, for example, the assembly of a specific product. Conversely, while the longer-term assignments were also used for knowledge transfer, the nature of this knowledge transfer process was more strategic in nature, and typically involved the transfer of tacit expertise to the location. The process of such knowledge transfer will be discussed in the following section on the AE managers’ role mandates. About the current group of AE managers within EngCo, R1 stated:

“Yes most of them are senior managers as well. So the general manager here he’s a Dutch national who is on an assignment. The Head of Finance...Uh we’ve got senior managers in product support, marketing, engineering, so as I say a wide variety of disciplines, and again it has to be on the basis that they are actually adding value to us...They are an important part of it [achieving strategic objectives] because one of the things that ManCo wants to really push as a priority is the global nature of the company... because we are a global enterprise.”

-R1, HRD (EngCo).

Luckily, many of the managers referred to above by the HRD agreed to be interviewed, and when asked about the purpose of their assignment, they corroborated the reasons outlined by R1. With regard to knowledge transfer, all six AE managers, including the general manager (GM) of the plant, indicated that managers were assigned within EngCo in order to transfer a specific skill-set or experience. R2, one of the senior marketing managers mentioned by R1, stated that he was indeed assigned for knowledge transfer reasons. As a commercial tele-handler within EngCo's marketing division, his primary mandate was to transfer his specific skills and expertise to that location. In saying this, however, he also emphasized the developmental benefits of the assignment for managers. About this, he commented:

“Typically people who are going to be selected to go on a foreign assignment, it's based on what they know what their skills are so they can bring that particular set of skills to the job. But then also it's developmentally it gives you exposure to other markets”

- R2, Marketing

(EngCo)

Other managers also stated that in addition to their various knowledge transfer mandates, their assignment fulfilled several other purposes. When asked about the purpose of their assignment, the majority of AE managers interviewed agreed that they were sent to the UK location for knowledge transfer and management development purposes. With regards to knowledge transfer, AE managers indicated that they were sent for a multitude of knowledge-related reasons. While some managers stated it was because of a lack of knowledge on a particular product line or company IT system, others indicated that it was because of a shortage of specific professional skills within in the UK. Some of these managers also identified control as another main reason for being sent to the UK. For example, R3 was assigned as the financial comptroller for the unit not only because of his functional and professional expertise, but also to oversee local operations. He explained that he operated at a very senior level and that his primary objective was to ensure that the financial practices within EngCo were directly aligned with those practices established by ManCo's US headquarters. He too commented about the duality of his expatriate role:

“It's good to have that knowledge of US accounting practices and policies so that you may be able to help the team here who may not know those things and how they work. It's really

two-fold I think... [also] making sure the integrity and the quality of the numbers we report and the financial results that we report are robust and strong.”

-R2, Finance (EngCo)

Another manager whose primary expatriate roles were related to knowledge transfer and control was R7, the GM of EngCo. This interviewee had been with the company for twenty-three years, and, with his engineering background, had previously run other ManCo factories across the globe. In addition to running EngCo, he was at the time also in charge of another manufacturing plant located in North-East England, as well as a factory in India. When asked why he was sent on assignment to EngCo, he stated that it was because of his accumulated experience of running various global operations. With regard to being assigned to the specific UK location, he explained that EngCo was of particular strategic importance within ManCo, primarily because of its size, and as a result it was important to ensure that it was appropriately aligned. About this, he commented:

“It’s fully aligned to the strategy. Strategically it has a critical piece in the puzzle if you want to explain it like that... There might not be more than ten factories in the world that are this size so it’s probably one of the top ten factories in ManCo in size.”

-R7, GM

(EngCo)

He went on to explain that within manufacturing facilities like EngCo, expatriate managers often made up a very small population, and that they typically operated at a senior level and could be found in functional support roles such as marketing and finance. Indeed, four out of six AE managers interviewed were within these two departments. There was also an AE manager, R6, assigned within EngCo’s IT department at middle management level. This manager explained that he was sent to the UK location for a range of organisational, personal and professional reasons. With regard to organisational reasons, he stated that he was assigned to EngCo in order to coordinate the subsidiary’s existing IT protocols and bring these in line with ManCo’s headquarter IT systems that were being rolled out across the globe. Whilst doing this he was also expected to develop as a manager through autonomously leading a group of twenty-eight IT employees in

various projects. Finally, it was also his mandate to disseminate knowledge about the new IT systems being installed and teach local employees how to use these systems. More about what these roles entailed will be explained in the following section on assignment role mandates. Concerning his personal and professional reasons, R6 also explained that his UK assignment, which was also his first role abroad, was very much linked to his professional development. For this role, he was selected through ManCo's talent management system, which identified the company's top performers and future leaders. Hence, to further enhance his professional development, he was chosen for the role in EngCo. However, like previous managers and as indicated by his other expatriate roles, he reiterated that ManCo was keen on ensuring that both the company and the employee gained from using the particular expatriate role. R3, the financial comptroller in EngCo, expressed a similar view:

“This is an investment that ManCo is making in you so you need to be able to add value overseas not only gain the experience that you gain. So if they make the investment in you then you have to add value to where you're going”

–R3, Finance (EngCo)

The majority of the AE managers interviewed also indicated that they were selected through the company's talent management system, which aimed to identify those individuals who could not only benefit from an international management assignment, but that whose time on such an assignment would also be of benefit to the firm rather than simply an expense.

The above section has outlined the main reasons, as stated by interviewees within EngCo, for the use of international management assignments within ManCo. Interviewees have indicated that AE managers were sent to this UK location in order to transfer knowledge, for management development purposes, and for purposes of coordination and control. The following section will concentrate on what these various roles entailed and how AE managers undertook them within EngCo. As indicated by interviewees, AE managers in ManCo performed several functions at once. Below, the functions and processes identified in each of the roles, according to managers, will be explored in more detail.

4.5. Nature of AE Managers' Roles in EngCo

One main observation made while speaking to interviewees, was that while AE managers stated that they engaged in knowledge transfer, management development, coordination and control, the nature and priorities within these functions differed significantly from manager to manager. For example, AE managers were engaged in a range of knowledge transfer processes within EngCo, which could be distinguished into several sub-categories with different priorities. Table 6 below outlines the various mandates that were formally and informally stipulated as the objectives of interviewees' assignments, and which related to the use of expatriate managers for the three main purposes previously identified. Also outlined are the various activities that were involved in the achievement of these objectives as described by interviewees. As with the expatriate functions in general, there was significant overlap between the various processes as they related to expatriate purposes. Following this table, in the sections below, the various role processes as they relate to the three main expatriate purposes will be discussed. AE managers' knowledge-related roles will first be explained.

Role Mandates	Role-related activities	AE Managers involved
Transfer HQ perspective/values	Meetings and workshops; team and or one-to-one explanations of specific processes (e.g. how to meet with a dealer); Daily interactions with local employees	R3, R5, R7
Transfer of specific skill/experience	Daily performance of assigned job; meetings with team members to demonstrate activity, individual coaching and mentorship	R3, R4, R5, R6, R7
Understand local environment/perspective (RKT)	Daily interaction with local employees and external stakeholders (e.g. suppliers); Meetings and discussions with local HRM team; Attendance at locally organised events (e.g. conference, guest lecture)	R2, R3, R4, R5, R6, R7
Global team coordination	Liaise via telephone, conference calls, and skype meetings with globally dispersed team members; Provide insight to other team members about the activities within the subsidiary; Connect local employees with other globally dispersed employees (e.g. short visits, email, telephone)	R3, R6
Train successor	Identify employee at local and provide individual mentorship (shadowing, meetings, delegation of tasks)	R2, R6

Enhance leadership skills and professional development	Daily management of local team; Trial and error in performance of role; achievement of specified goals within subsidiary; Meetings with supervisor or assignment mentor to discuss assignment progress; Attendance at internally organised leadership courses and events	R2, R3, R4, R5, R6
Increase communications channels	Inviting local employees from different departments to work within assignees; Connect local employees with employees in other departments (e.g. via telephone)	R2, R4
Standardisation of local activities	Identifying duplicated technology or organisational work systems and removing the less suited processes (e.g. replacing multiple IT software with one system)	R3, R6, R7
Building External Networks	Attendance at external events as a representative of ManCo; Attendance at internal workshops at other subsidiary locations; Creating opportunities for local sponsorship by ManCo	R2, R5

Table 7. Expatriates role mandates and related activities in EngCo.

4.5.1 AE Managers and Knowledge-Related Roles

The researcher will address the nature of both explicit and tacit knowledge transfer, under three main knowledge-related themes. The six AE managers interviewed within EngCo identified several knowledge-related roles undertaken within ManCo's UK headquarters, EngCo. These various roles differed in some respects from manager to manager, however the main role objectives might be characterised as knowledge dissemination, knowledge acquisition, and knowledge facilitation, all elements of knowledge transfer. Here, a distinction has been made between knowledge dissemination, referring to the transfer of knowledge from the AE managers' home office to the local subsidiary, and knowledge acquisition, which refers knowledge gained from within the local subsidiary context. Knowledge facilitation, on the other hand, will be used to refer to the process whereby AE managers engage in activities, and or establish mechanisms that help to increase knowledge flow and connectivity across the organisation. In separating knowledge transfer into three distinct categories, it is important to note that none of these are exclusive of the other. This separation has been pursued instead in order to draw attention to the different aspects of assignees' knowledge transfer function. As AE managers' various role objectives are explained, the overlap between these will become more apparent. These various knowledge-related objectives will now be outlined in the below sections.

4.5.1.1. Knowledge Dissemination:

All of the AE managers interviewed indicated that knowledge transfer was among the many purposes for which they were assigned within EngCo. Several of the AE managers interviewed were engaged the dissemination of both tacit and explicit knowledge within EngCo. The dissemination of tacit knowledge involved the diffusion of ManCo's organisational perspective and values, as well as the transfer of specific functional and or managerial expertise. Where explicit knowledge is concerned, AE managers were also engaged in the diffusion of centralised operating systems and processes (e.g.IT programs) within the local context. Knowledge transfer related to each of the areas identified will now be discussed separately.

Transferring HQ skills and values

In Man Co, it was deemed important that local employees understood the way in which business was conducted at the level of global headquarters. Hence, while managers were assigned for the purposes of disseminating specific functional, technical and managerial know-how, it was also deemed necessary by head office that local individuals were provided with greater insight into the headquarter perspective or way of thinking. Hence, in the absence of an apparent technical need within the UK location that the AE manager was sent, ManCo believed it necessary to make a few positions within that location available in order to bring a level of diversity and 'global thinking' to the local subsidiary. Among the knowledge-related reasons identified, four out of the seven interviewees indicated that this was in order to transfer the perspective and values of ManCo to the local context. These managers included the HRD (R1), the GM (R7), the marketing manager (R2), and the financial controller (R3). With regard to his role in EngCo, R3 explained that this was among his primary objectives. He commented further:

“The real focus is around not only getting the results, but also how you get the results, and do you do it with values, do you do it ethically...you build an environment in which you develop and coach people so there are those things that I would see are the primary changes.”

- R3, Finance, EngCo

R3 went on to explain that this was particular important within the finance department as it was

important to ensure that the numbers being reported from EngCo were accurate and in meeting with various external financial regulations. This helped to ensure that ManCo was following through on one of their key organisational values, which was integrity. For such a role, a trusted employee, with accumulated experience and a stellar track record within the organisation was deemed to be appropriate. Through ManCo's succession planning system, R3 was identified as such an individual. When asked about how such values were disseminated at a local level, he stated that it was a matter of displaying this type of work ethic as he completed his tasks and led his local team. In cases where specific action needed to be taken or avoided, even if it meant a slower completion of work, R3 stated that he was sure to explain clearly why specific tasks were completed in an alternative way, and why that way should be pursued by employees in the future. In addition to the company's ethical values, R3 also sought to transfer specific tacit knowledge regarding ManCo's recruitment practices. He provided one example of some values he tried to pass on to colleagues regarding to hiring of new employees into the accounting department. About this he stated:

"I think what they call a 3.1 GPA in the US is the equivalent to a 2.1 here so that kind of the minimum requirement to getting into ManCo in the accounting fraternity in the US so that kind of expectation I transferred across to the team here to make sure we're getting the right type of individual coming through the door and also making that clear if you're gonna look for that calibre of people you've got to pay for it as well so also giving them a view...so I was transferring my knowledge from how US does recruiting and hiring for accounting professionals over to and applying to a UK environment."

-R3, Finance (EngCo)

During such organisational processes, AE managers could closely analyse employee behaviour and decide the best way to approach changes in established local habits or routines. With regard to the recruitment process, R3 went on to explain that such change was brought about by analysing incoming applications with local employees and highlighting what ManCo required of an employee in this department, and then explaining and encouraging employees to look for candidates who fit a similar profile. Because of his presence within EngCo, such expectations were adopted and adhered to by subsidiary personnel. R6, the IT manager, also indicated that he was

aiming to transfer various managerial values and tacit skills to his local team. The example he provided was with regard to teaching local employees how to interface with local dealers in a way that would produce the most lucrative and effective outcome. He explained that he was drawing on his previous experience of working on projects successfully with US colleagues, to communicate to employees in his local team how they could more easily achieve projects within the UK context. The dissemination of these skills, he stated, were particularly useful for negotiating with ManCo's dealers, a task which many on his team members had not previously engaged in directly:

“[It was about] using experience I had in my previous roles to help explain the up-stream process if you will from what actually happens from when a ManCo customer comes into a ManCo dealer and what that ManCo dealer actually does and how it transfers all the way through to the IT systems that we have that run the factory here where as previously some of the staff here only had experience in the local sense, so what happens here in the UK as opposed to what happens in the rest of the world. So I think those are two instances where some of the experience I had in other parts of ManCo allowed me to help the people here understand how their piece ties into the other parts of ManCo.”

-R6, IT (EngCo)

The type of tacit experience described above by AE managers was gained through years of working within ManCo. In addition to R3 and R6, other AE managers interviewed within EngCo expressed similar sentiments, stating that their past accumulated experience was a key determinant in their assignment to the UK. As a part of their knowledge dissemination role, AE managers were also expected to identify specific individuals who displayed leadership potential and train them to take over the expatriate role following completion of the assignment. Indeed, more than one of the managers assigned within EngCo stated that one of their key mandates was that they transfer to this candidate, not only the skills that would allow them to take over at the end of the assignment, but also a 'ManCo' perspective or way of thinking. As an example, R2, the senior marketing manager was, at the time of interviewing, in the process of training up a local employee within EngCo, who could assume the role he currently performed as an expatriate once the international assignment had run its course. The succeeding individual was first identified through ManCo's rigorous succession planning process, and then a reasonable plan for their development is agreed

upon. With regard to R2's role in developing this individual, he explained a bit more about what this process might involve:

"I began involving him in areas that were outside his immediate area of responsibility. Very specifically, we were going through some contractual changes with one of our major suppliers of product so I got him involved in that and in other areas as part of the developmental aspect"

-R2, Marketing (EngCo)

The up-skilling of future leaders by AE managers was how ManCo helped to ensure that headquarter best practices were disseminated globally. Financial comptroller, R3, stated that this was a priority for ManCo and among the key reasons that managers at a very senior level were typically sent to this location. Each of the senior managers interviewed had been with the organisation within their respective fields for almost twenty years, and had also spent a significant amount of years at ManCo's global headquarters. These managers, however, were not assigned from the global US headquarters but from the US-based divisional headquarters of the particular company business, as the technical and operational knowledge transferred was specific to the particular product line. With regard to the contribution of AE managers and the importance of their expertise they possessed, he stated:

"I think one of the main reasons they do that is because there is a body of knowledge that you need from working in ManCo to be then able to go overseas and help. You need to add value. This is an investment that ManCo is making in you so you need to be able to add value overseas not only gain the experience that you gain."

- R3, Finance (EngCo)

Managers typically undertook such mentoring over a period of two to three years to ensure that these employees were technically and professionally equipped for future managerial positions within the firm. At the end of this period, it was the hope that the chosen local employee would take over the position filled by the AE manager, hence localising the position within the subsidiary and negating the future need for a long-term assignee within the specific role. Within ManCo, this

requirement was one of the factors that helped to influence the length of the assignment. Where AE managers were instructed to do this, their assignment would be a minimum of three years, as head office believe that this would provide AE managers with enough time to identify and train a local successor to take over their role. The up-skilling of local managers was also seen as an important in ManCo's pursuit to maintain global efficiency while remaining locally responsive. By replacing managerial assignees with "globally trained" local employees, the firm's headquarters believed that they could sustain head office culture and practices at a local level, while benefiting from employees' local expertise and experience, which might aid in conflict resolution, or further knowledge acquisition at a local level. Some managers even stated that in some countries training local managers was essential as they were better able to run the local operations than managers assigned from head office because of their in-depth knowledge of the local environment.

Although AE managers stated that senior expatriate managers were more typically used for up-skilling future local leaders, interviewees who were at a middle management level also indicated that it was also in their mandates. This often involved coaching local employees on to how deal with specific technical queries or customer concerns. Within the sales department of the marketing division, R4, an expatriate manager who had recently been assigned (two months prior to his interview) as a product support manager in EngCo, stated that he was also expected to undertake a coaching and mentoring role among his other roles. This manager had been with ManCo for fifteen years and was also a six sigma black belt, explained that he was currently transferring a more headquarters-oriented way of working to local employees, with regard to working within and across different organisational and departmental teams. As the particular process he described depicted both knowledge transfer and control, more about this process will be discussed further in this chapter. While this current section has concentrated on the dissemination of knowledge, that is the diffusion of knowledge from AE managers' home office to the UK-based EngCo, the following section will draw attention to the flow of knowledge in the other direction, this being the acquisition of knowledge from within the local subsidiary context by AE managers.

4.5.1.2. Knowledge Acquisition

In addition to transferring explicit and tacit knowledge to the local context, AE managers also

engaged in reverse knowledge transfer (RKT) that is the acquisition of knowledge from the local subsidiary context and diffusion of this knowledge within their home office or other global locations. All seven interviewees agreed that as much as AE managers were expected to diffuse their specific skills and expertise at a local level, they were also expected to acquire knowledge of the local environment and working practices. In many cases individuals were sent to gain a greater understanding of the specific foreign market. One manager within EngCo's marketing division explained further:

“We [myself and my US team] put together a business proposal that I come over here to continue in the current role but -it's as an opportunity to grow, develop and understand this side of the world's product market...When I was covering, what we called the [product name] bit of the model which was mainly more for North and South America. We have another model that's mainly designed for Europe, Africa, Middle East and parts of the CIS and now coming over here helps me to better understand some of the market requirements of the customers who drive the [product name] design.

-R2, Marketing (EngCo)

This sentiment was confirmed by the other five AE managers interviewed, who indicated that they were also expected to acquire a range of knowledge within the local context. The nature of local knowledge AE managers hoped to gain varied significantly and was both external and internal to the subsidiary. The two AE managers assigned within the marketing department were interested in learning about specific production techniques (as indicated in the above quote), the characteristics of local customers, dealers and suppliers, the nature of local competitors, as well as aspects of the local institutional system. R4, the middle-level marketing manager who was working as part of a globally dispersed team, emphasised the importance of learning about the local institutional system:

“I am learning a lot of the labour laws; I rely here a lot on utilising my HR resources since I am not familiar with them. I don't want to make a mistake in terms of hiring personnel or handling some of the personal issues that may come with people here, where growing up with that organisation in the US, I am familiar with a lot of the rights and wrongs and how to do certain things...the procedure from which of how we operate is different, [for

example] where I have a lot more direct contact with supervisors, employees through hiring processes there. Here a lot of that is handled through an intermediary”

-R4, Marketing (EngCo)

In addition to acquiring knowledge of more formalised systems, managers also stressed that they also gained knowledge of informal practices and subtleties that had potential to expedite and improve operations if applied in other offices. For example, all six AE managers interviewed stated that not only did they get to see first-hand how products were designed and assembled, but they also gained understanding about the rationale behind certain decisions from the local employees involved in the process. In other cases, knowledge acquisition pertained to learning about how these employees communicated and gained information across the organisation, which would be helpful in future organisational roles. R6, the assigned IT manager, provided an example of this:

“Actually this is something that will affect me for the rest of my career regardless of where I'm at. The team here are very good at knowing outside of IT who in the factory is very good at doing what, who in the business has what responsibility and helping understand that process and their business partner and being very close to all parts of the business is something that I've seen in other parts of ManCo that they are not as good at it as the team here so I can relay that back to other groups. I've also had projects where we have a corporate system and there may be two hundred ManCo factories around the world and it's impossible for those people to know what happens at each one of these factories but knowing that I can help explain to them what is happening at this one particular factory. What we need the corporate system to do in relaying it back to what the end users in EngCo UK are doing helps them understand how their system is being used around the world”

- R6, IT (EngCo)

It was stressed that relaying such knowledge back to colleagues within his home office allowed for the improvement of relationships between individuals within and across units. When asked about how such knowledge was typically captured and disseminated after completion, R6 indicated that there no formal mechanisms for such knowledge storage but rather it was disseminated informally between work colleagues. Other managers who provided examples of knowledge

acquisition while assigned within EngCo, stated that it was also an opportunity for these individuals to gain international experience and cultural exposure. About this, R2 also stated:

“It gives you exposure to other markets and other experiences because our business is very different from area to area, in parts of the world. I would say in most business you’d find the same thing. Doing business in Europe or Asia or Middle East is nothing like doing business in the US, and you need to have that perspective in most of your business dealings.”

- R2, Marketing, EngCo

This type of knowledge was deemed to be valuable to the firm and to the individual, and acquisition of such knowledge helped to highlight one of the primary ways in AE managers’ knowledge transfer function and the management development function were closely linked. Since this was such an integral part of managers’ professional development, more on this type of knowledge acquisition will be outlined further in the section relating to such development. Next, how AE managers aided in the facilitation of knowledge transfer across the organisation will be outlined.

4.5.1.3. Knowledge Facilitation:

The process of knowledge facilitation involved the establishment of formal and informal relationships and communication structures between the firm and external stakeholders, as well as the formation of internal relationships, which allowed for knowledge and resource procurement (tangible or intangible) within and across various organisational businesses, departments and units. This included the creation of local partnerships, which is the identification and establishment of relationships within the local subsidiary environment that allowed for the reciprocity of knowledge resources between the firm and other local stakeholders. Within the organisation, the creation of communication channels meant making contact and building relationships with key personnel. By doing this, AE managers established a local connection, who could be contacted during or after the assignment, in order to gain specific information or insight regarding the local context. For some AE managers, it was expected that they seek to develop contacts in the local environment internally and externally in order to increase organisational communication channels, and further develop an international network of contacts. R2 stated that this was among the key priorities for his particular assignment, and went on to explain the rationale behind this:

“The thought was well by putting them in the factory with the marketing people, who were the ones working with the dealers, that there would be some benefits in terms of better team work, better communication and so that was what drove the assignment. And it’s probably I would say that at the end of the day it has probably worked the way that it was envisioned, maybe even better than it was envisioned. Because we have such a broad network that communication is always an issue.

- R2, Marketing (EngCo)

This manager went on to explain that this was particularly important within this UK location because of the nature of the competitive market, and the resultant challenges being experienced. Other managers agreed that establishing and developing such communication networks was an important part of their assignment, which added organisational value and aided with integration into the local community. R3, who is based in the finance department explained further about why this particular function was crucial within ManCo. He stated:

The external network is really an opportunity for me to showcase ManCo to the rest of the world so it gives me an opportunity to be out in the community demonstrating ManCo values as I do that and providing a face to a very large organisation which people can relate to and then we get opportunities presented to us as a result.”

– R3, Finance (EngCo)

For this manager, engaging with the local community was also one of the key expectations in his assignment. He went on to provide an example of how AE managers might go about establishing such networks:

“One Saturday, I am hosting a table at the [named] rugby stadium for an engagement event. That gives me an opportunity to engage with people I don't normally talk to in the facility, allot people outside ManCo. I think you're making an investment for long-term payback.”

- R3, Finance, EngCo)

This manager went on to explain that organising and attending such events was a way of not only engaging with various internal and external stakeholders but also increasing organisational

visibility in the local setting. The need for increased visibility was again linked to the nature of the specifically challenging competitive market, where a local construction brand was the market leader. In addition to this need, however, such engagement also presented the potential for opportunities to be identified or present themselves in the future. Hence it was seen as a long-term investment. Here there is some cross-over with the management development function as such networks could also present opportunities for the assigned manager as well. In some cases, facilitating knowledge transfer also involved being more closely located within key global networks to allow for better exchange of information. R4, who was also based within the marketing division, explained that this was the primary reason for his move to the UK-based EngCo. Prior to his assignment, he had been working in the same position but from within ManCo's US office in North Carolina. When asked why he was moved to the UK-based EngCo, he explained:

“It's a little bit easier face to face when you can have a two-minute conversation instead of trying to schedule a thirty-minute conversation. Now when I go back on over to the US, I spend time doing the same thing with engineers and spend allot more time face to face with my employees. The process was really, in this particular case because I had a lot of trouble back and forth, was talking to my manager about well since I'm doing this already, we put together a business proposal that I come over here to continue in the current role but also as an opportunity to grow, develop and understand this side of the world's product market”

- R4, Marketing, EngCo

The team in which R4 worked was made up of five individuals, all of whom worked in different countries. Other members within his team were located in countries including Hong Kong, the UK, the US (North and South offices), and Singapore. They had been working on a split product line which consisted of two separate models. While one model was being marketed within the North and South American market, the second model was being marketed within the European, Middle Eastern and African (EMEA) markets. As he was now working on the latter model, he stated that being within the UK-based office provided him with more access to key players and team members, as well as an opportunity to gain more insight and a deeper understanding of these

markets. Also, a key part of his assignment was to work with a team to create, edit and translate service manuals for the organisation to offer to their customers worldwide. It was essential for this role to be located within the UK as it would give this manager access to the engineers who have a say in what product information goes into these manuals.

"We do a lot of parts investigations, systems investigations so a lot of times we'll go back to people to either designed it or built it, and we rely heavily on them to help us address our issues, find what's wrong, how to fix it.

- R4, Marketing (EngCo)

This manager went on to explain that although he did not physically write the manual, he and his team were responsible for what went into it. This particular task, highlights the importance of establishing cross-functional relationships across the organisation, and was key to ensuring consistency regarding what information was being offered to ManCo's customers around the world. The ability of local employees in EngCo to identify organisational sources of information was a practice previously identified (R6, IT) as particularly valuable to ManCo. As R4 was at a middle management level, he observed that obtaining knowledge of other global markets would go a long way in developing his global perspective for future leadership positions. Yet again, the cross-over between the various expatriate assignment purposes is brought to light. In the following section, more information about leadership development will be offered as the management development function is examined.

4.5.2. AE Managers and Management Development:

The second and possibly one of the most significant reasons for the use of international management assignments within ManCo was for management development purposes. The overlap between this function and AE managers' knowledge-related roles have been highlighted in previous sections, in relation to knowledge acquisition, and cross-over with the coordination and control function was also evident with regard to the building of cross-unit information networks. A review of interviewees' responses highlighted the emphasis placed on the development of particular elements of expatriate experience, knowledge and skills while on international management assignments. The type of development identified by managers included the

development of leadership skills, a global perspective, and an international network of contacts. The findings from the interviews regarding each of these will now be discussed further in the below sections.

4.5.2.1. Development of Leadership Skills

While all six AE managers emphasized the importance of international management assignments for developmental purposes, this was more a priority for those managers at a middle management level, which included R4, R5, and R6. The other three more senior managers (R2, R3, and R7), although not assigned strictly for this purpose, spoke more generally about the developmental value of such assignments within ManCo, and how these benefitted their careers over the years. Individuals who were sent on long-term assignments were typically those who the company was preparing for higher leadership positions within the firm. Where employees were assigned with this goal in mind, they were usually at a middle management level and had already developed a significant amount of expertise within their chosen field. International assignments were designed to provide them with a chance to not only share that expertise at a local level, but also to enhance their ability to manage on a global scale. R1, who coordinated these assignments locally, explained further:

“From an experiential point of view though, they are experiencing a different facility, a different product range, and a different set of priorities, so that in itself is making them a better manager. So those are the two factors that sit behind it. The identification of the people who are suitable for an assignment is done as a regular part of our Talent Management process so obviously it’s not appropriate for everybody”

-R1, HRD (EngCo)

Regarding the appropriateness of managers for international assignments, this HRD along with the AE managers interviewed indicated several criteria for a person to be sent on a global assignment. Factors identified by all managers included individual performance, accumulated skills and expertise, company knowledge, personality traits, interest, developmental needs, and built-up trust. Other elements mentioned were foreign language abilities, and existing organisational networks. Managers were often assigned a supervisory role in order to acquire and develop their ability to oversee and direct a team of employees. They were also developed in the area of goal-setting as

they were given opportunities to set goals for their staff and then demonstrate that they could deliver on these goals. R3 in finance described such roles as 'tactical and strategic' and 'proper sort of business leader roles'. The goals of these assignments were set by the talent management team and the manager's superior in his home office, and it was up to this assignee to demonstrate how their business fit with the outlined goals. In many cases, assignees were managers of managers within the local setting, and expected to coordinate activities and set goals for local managers along specific disciplinary functions. R6, for example, was at the time leading a team of twenty-eight people within the local IT department. When asked about how his leadership skills were developed through the assignment, he elaborated on how this was achieved on a daily basis through the leadership of his local team:

"It really has to do with me delegating things that would be my responsibility to others in the team and giving them responsibility for day-to-day operations or managing other people or managing contractors, managing and developing others. So working through that process and having regular meetings and sessions with them to help them understand what they are doing well as well as helping to lead others as well as, where some areas for them to improve and it's really just an on-going process that you need to have weekly or fortnightly with them and help them not just understand tactically what's happening during the day but also working with them to help them coach others and help them give feedback to others.

-R6, IT (EngCo)

The overlap across all three of AE managers' key purposes is highlighted once again. With regard to the assessment of the local team's performance under the AE leadership, this would be monitored through the use of SMART goals (specific, measurable, attainable, realistic, timely), which were set at the beginning of the year and reviewed in monthly meetings. During these sessions, the AE manager was expected to adequately communicate how activities and objectives at a global level related to local activities and could be translated within the local business on a daily basis. The extent to which managers successfully led their local team would also be monitored by the assigned manager's supervisor, with whom a meeting was held at the beginning and during the assignment to discuss the various goals outlined for the local team. To facilitate the

assignees' successful leadership development, they were also formal support mechanisms established within ManCo in aid this process. Several managers referred to an assigned internal consultant, who on occasion offered advice on how to handle particularly complex situations. Managers also highlighted ManCo's formal organisational leadership development program called LEAD, which aimed to communicate the company's vision, and what it viewed as good organisational leadership. Included within it was several workshops for potential leaders on various topics (e.g. Ethical leadership), as well as the availability of various feedback mechanisms that could be used by AE managers at a local level to assess their effectiveness. Among these was a process known as 'Making Great Leaders', where AE managers would go through the results of a locally undertaken 'engagement' survey to assess their performance and effectiveness within the specific environment. R3, the financial comptroller, elaborated a bit on how the results of this survey were interpreted:

"They've got a 70% correlation we think between leadership and engagement so if your engagement scores are pretty good then you've done a pretty good job with leadership. Engagement refers to interaction with local employees. We call it engagement but we have an employee opinion survey that we take every year and one of the indices is engagement so how engaged are the employees, do they basically like their job and are they engaged to deliver value to the company"

- R3, Finance (EngCo)

The implementation of this survey involved undertaking a 360-degree feedback process, collecting feedback from the assignees' superiors, subordinates, and other organisational members. At the end of this process, the assignee would sit with his supervisor to discuss in detail the results and interpret the findings. Where it was found that managers needed to improve in specific areas of leadership, further developmental mechanisms would be put in place to assist with this. The next quality that ManCo focussed on was the development of a global perspective, which will be discussed below.

4.5.2.2. Developing a Global Perspective:

Managers within ManCo who were sent on international assignments were seen as the future

leaders of the organisation and hence it was deemed important that such individuals were sensitive and adaptable to various cultures and environments. The process of being immersed in a foreign atmosphere, experiencing a new facility, undertaking a different set of priorities and products was believed to help prepare and mould assignees for even more extensive leadership roles as their careers progressed. Moreover, given the global focus of the firm, assignees were expected to develop an appreciation for managing in different contexts and be able to identify and empathise with local employees. R2 in marketing explained further:

“I would say from a ManCo standpoint, one of things that ManCo tries to do is that for particular people that they envision having higher roles and responsibilities, that being a global company they want them to have global experience. So anybody who is expected to raise up to more senior leadership levels is expected to have an international assignment or multiple international assignments, just to bring that perspective to the business”

- R2, Marketing (EngCo)

This sentiment was confirmed by other AE managers interviewed, who acknowledged that international assignments were often key prerequisites when seeking to advance within the organisational ranks. Although this was not explicitly stated within any company policy or strategy, the answers of all seven respondents indicated that this may indeed be an unwritten decree. R6, the IT manager, also explained that it was typical within each subsidiary to hold specific positions open in order to facilitate the development of global leaders within ManCo. He explained:

“Usually, they’d have about five to ten slots open and as openings come and go we’ll try to keep a certain number of them in use because we don’t just want to have people who just work in [the US headquarters] for 35 years and never experience or understand what it’s like to work in other places in the world...It’s really just an employee development opportunity”

- R6, IT (EngCo)

Again, the level of management was a key indicator of the particular assignee that might have been sent primarily for this purpose, as all three of the middle-level managers agreed that such a

developmental focus was expected at the particular stage in their career. While the other three more senior managers stated that their assignment to the UK was one of many over the years, the assignment to EngCo was the first for the middle-level AE managers. Each of these managers indicated that they had discussed the possibility of an assignment over the years with their supervisors. Once they were identified as high performers within their home country, the occurrence of their assignment was dependent both on their developmental needs as well as the business need within the particular unit to which they were sent. R5, who worked in finance and had been assigned as a business support manager, was with the company for ten years prior to his assignment, and was a consistent high-performer within the finance division, having successfully completed several large projects organisational projects. When asked about the timing of his particular assignment, he offered some insight into the rationale of ManCo when sending managers for this purpose:

“Someone who are performing very well in their domestic country, who has got promoted very quickly, and demonstrated that they can deliver on big projects, and therefore could be a candidate for more senior roles in the company, so it’s then that a final test or experience would be to go abroad and see if they can demonstrate the same level of performance and get that cultural experience as well. So I would say that the majority of the times, it’s a balance between the benefits of the majority and the individual”

- R5, Finance (EngCo)

The manager also stated that where a position was not available for the candidate within one country, then they would be sent to another unit which also required their particular skill-set. It was also made clear that managers often returned to their home office at the end of the assignments, although in some cases managers might immediately move on to another global placement. Several managers declared that the global exposure and experience that they acquired through taking global assignments would continue to benefit them throughout their careers. Although not transferred primarily for this purpose, the senior-level AE managers interviewed shared their experiences of how assignments helped with their global development. R6, the GM at EngCo, who had been on several global assignments, stated:

“I moved to Russia which is obviously a country where I didn’t speak the language. So it

forced me and I forced myself to learn Russian. [Now] I speak enough Russian to give a toast at Christmas or to have a half way decent discussion with somebody. I think it's very important for the individual to assimilate... Obviously in England we don't have that problem because everyone speaks English but in other countries where people make an effort to speak the language, even if it's just saying good morning when coming into the office, is already showing that you have a respect for the country, so that's good. You'd be much more appreciated for doing this"

- R7, GM (EngCo)

Other senior managers agreed with such sentiments, saying that global assignments provided them with the ability to easily assimilate into diverse geographic locations, and relate to employees and external stakeholders from varying cultural backgrounds. Moreover, it facilitated increased information sharing as employees were better able to establish trustworthy relationships with various organisational stakeholders. The creation of such strong local ties was also crucial in facilitating the coordination and control of ManCo's operations on a global scale. More about this will be highlighted in the following section.

4.5.2.3. Enhancing Global Networks

International assignments also aided future leaders in the enhancement and establishment of connections and networks across the firm. For AE managers at middle-management level, or who were assigned abroad for the first time, information on the experiences of previous assignees could be gleaned through these connections. Managers often made contact to gain information regarding housing and schooling arrangements, as well as information which facilitate work process and leadership at a local level. Additionally, AE managers could also learn about and become potential candidate for career opportunities around the globe. Indeed, this was how R5 in Finance was selected for his first expatriate assignment, as his particular skill-set and organisational success was brought to the attention of his home office GMM by an employee in another global office with whom he had worked remotely.

4.5.3. AE Managers: Coordination and Control:

After reviewing the interview data, it was found that AE managers also aided in establishing

control. When asked about how AE managers helped to achieve control within EngCo, interviewees stated they were expected to consolidate and integrate duplicated functions, and spread the values of the firm (described here as socialisation) within the local environment. Of these objectives, the chief control function mentioned by interviewees within ManCo was the consolidation and standardisation of duplicated systems and processes within EngCo. More about these objectives and how they were fulfilled will now be discussed further.

4.5.3.1. Consolidation and Standardisation of Local Processes

Three of the seven AE managers interviewed stated that their assignments were also for control purposes. These managers included the finance comptroller (R3), the IT manager (R6), and the general manager (R7). These managers indicated that they were assigned to ensure that the processes and systems utilised within EngCo were in keeping with those stipulated by ManCo's US headquarters. For example, R3, the financial comptroller, stated that he was primarily sent to ensure that the activities and practices within EngCo's financial department were in keeping with not only the local and organisation's financial regulations, but also with ManCo's home country regulations and overall company values. He stated:

“The first is really around making sure that integrity and quality of the numbers and the financial results that we report are robust and strong. So when we say we make X number of machines and we generate this amount of revenue, and we generate this much of profit, we need to make sure that we...that what we say and what we produce is reflective of the results that we have. We've also got requirements to maintain a very strong internal control environment for financial requirement in the US.”

- R3, Finance (EngCo)

The need to ensure alignment with US financial regulations helped to justify why it was necessary that an expatriate filled this role. Not only were AE managers expected to transfer their expertise from headquarters, but they were also expected to ensure that employees adhered to these processes and implement them in the way that they were meant to be implemented. AE managers who were sent for such purposes typically operated at a very senior level and reported directly to ManCo's headquarters in the US. Within EngCo, R3 was a manager of managers, who had three

direct reports. He explained that the key way of delivering on this expatriate objective was through helping to set objectives at a local level, and advising and ensuring that his direct reports delivered on these goals. He provided further explanation with regards to how such control and adherence was ensured within his role on a daily basis:

“I am providing more leadership, coaching, mentoring, setting strategy, setting visions, making sure that we execute to that strategy and vision, and then interacting with my peer group, or other manager of managers, to make sure that they also deliver on the strategy and vision as well. So it’s probably allot of softer skills that are required than just being, just pushing numbers around on a spreadsheet”

-R3, Finance (EngCo)

R3 also explained that being based within EngCo allowed him to directly oversee key investments being made at a local level and consult on these business deals. This often involved investment in new organisational facilities and products. In such situations, R3 would assess the contribution of the particular investment and the extent to which it was deemed to be financially viable or otherwise. If it was determined that it was, then particular ManCo headquarter procedures would be put in place to monitor its contribution and repayment. Other AE managers agreed that they were providing similar leadership within EngCo on a daily basis. The general manager, R7, explained that ManCo had specific control systems which it utilised globally to monitor the performance of each unit, and that AE managers helped to ensure that these were delivered upon in the way that would meet headquarter expectations. He stated that each factory was run along the same standards and using the same metrics as other ManCo factories around the globe. Given the number of different businesses abroad, the duplication of organisational practices tended to occur, and resulted in additional expense for the organisation. Using these metrics and similar organisational control systems, AE managers would be sent to identify this duplication and streamline processes to avoid such inefficiencies. R6, the IT manager who was also assigned for this reason, stated that this was particularly important within his division. He provided an example of how he aimed to consolidate processes within EngCo’s IT department:

“Historically, this group would use product A and this group would use product B so ManCo would buy different IT solutions for the same process if you will, just because this

group wasn't talking to this group...So within IT we're trying to say, okay we're buying one tool and not thirty tools or we're buying two or three tools because engine facilities may need different from tractor facilities. We try and utilise the same common tools and common processes to reduce ManCo's overall operating costs."

- R6, IT (EngCo)

In this assignee's local team, individual groups were responsible for a separate IT system, for software for production scheduling or managing customer accounts, which was necessary for the smooth running of the factory. With regard to what mechanisms were used to help ensure control and efficient management within the local environment, R6 provided some examples of some of the more tangible assets that assisted with the management of local teams:

"In a lot of places it's trying to manage by visual management, of having metrics and targets, there's a corporate PM system that says you do an annual goal setting and annual reviews. That is still the same regardless of where you are so that makes kinda the most critical thing a manager does easier. You are managing by metrics, managing your people"

- R6, IT (EngCo)

Such metrics were owned by the assigned manager and then cascaded down to the leaders of the different groups being managed, and from there were circulated to other group members. R6 also went on to explain that the reduction of organisational duplication was among the main reasons that he had been sent to roll out the new global IT system previously mentioned.

4.5.3.2. Socialisation of Local Managers/Employees

In addition to consolidating organisational processes, AE managers were also engaged in the socialisation of local employees. Within ManCo, it was primarily the senior-level AE managers that were involved in this particular role. This was largely because these individuals had built up a significant amount of organisational expertise and trust over the years. All three of these managers stated that because of this, they were expected to transfer key organisational ideals and values to the UK-based EngCo. When asked what the key ManCo values were that they sought to embed at a local level, these were identified as Integrity, Commitment, and Teamwork (ICT). The main way that employees helped to embed ManCo values at a local level was to ensure that they

displayed such values as they went about fulfilling their organisational roles. All senior managers stressed that ingraining values at a local level begun with their leadership within the local facility, where they became an ambassador for what ManCo stood for as an organisation. About this role, R3 declared:

“We are in a way the embodiment of ManCo values for your team people that report to you so you gotta be ever vigilante on making sure that you're demonstrating or setting a culture that are in line with the ManCo values... typically these things tend to come up when we have a difficult conversation around certain topics and when we go through it and I always bring up the fact that well we're a values-based company so you know we're gonna do the right thing here and the right thing is this and that aligns with our value of this”

– R3, Finance (EngCo)

Other managers agreed that a key part of this process was ensuring that employees understood how their actions tied back into the company values and was reflected in their daily actions. R3 also provided an example of how he demonstrated this recently at a local level. He elaborated:

“I was having a conversation with somebody in India about some taxes that we were gonna have to pay on machines that we build and the question was raised by one of our external consultants that hey if you shift some costs from one product to another product you might not have to pay these taxes and the senior manager that I was talking to, we both agreed that we understand what they're asking us to do but we're a values-based company and that wouldn't be in line with our integrity and it would make a lot of sense to us to do that so we've got rather than potentially avoiding tax that in the long run that is not gonna be the right thing to do”

-R3, Finance (EngCo)

It was instances such as these where managers were presented with the opportunity to display overtly what the ICT values stood for, and what was expected from local employees. At the same time, while ManCo was very keen to transfer ManCo values to the specific location, AE managers also stressed that they were not dismissive of local practices. While ‘virtualising’ the company culture, AE managers were also keen on maintaining good relationships with local employees and

identifying best practices within the local setting. R3 explained:

“I think that ManCo does a very good job of respecting local cultures. So although we are an American company, I think there’s a lot of emphasis placed on making sure that we think globally but we act locally and regionally, and we respect and spend a lot of time thinking about what culturally is the right thing to do...So, you’ve got one foot kind of in both realms; you want to make sure that you’re following the corporate ethos and corporate cultural values, but then you’ve also got to be mindful of local intricacies and local differences.”

- R3, Finance (EngCo)

Indeed, the willingness of local employees to comply with or accept headquarter values was highly dependent on the relationship created by AE managers. Regarding the embedding of ManCo’s work ethos, R4, the middle-level marketing manager, though not transferred specifically for this purpose, spoke of the need to change certain organisational practices in EngCo. He stated that while in his home office employees engaged in cross-departmental working, EngCo employees were often not willing to share information or seek assistance with problems from across departments. This practice was put down to a legacy driven by procedures set up by past managers. It was explained that local employees were concerned about “airing dirty laundry to people”, and as a result kept issues in-house. While this did not hinder current organisational projects, R4 believed that much more could be accomplished if more cross-departmental links were established. When asked what measures were being taken to bring about a change in attitude, he explained:

“I volunteer my time and resources a lot to other people just to say it’s available, and try to invite them into my organisation as well. When we host meetings we try to invite more people than probably necessary just so they can see what we’re doing, and can be part of that process as well.”

- R4, Marketing (EngCo)

This manager continued to explain that ManCo had a very ‘open door’ policy both within the organisation and externally, hence it was important that barriers were not created between local departments. Other managers also agreed that where challenges or differences were met at a local

level, they tried to overcome these by holding meetings to explain reasons behind particular ManCo procedures and actions. What was particularly important in these meetings was the ability of managers to translate key organisational values in a way that employees understood where these fit into local objectives and daily practices. In many cases, one-to-one meetings were required with those employees who were unclear about how headquarter processes may fit with local mandates. In the rare instance where resistance was met consistently, or threatened to negatively impact productivity or other employees, interviewees explained that they would call on the assistance of the local HR function to intervene or initiate disciplinary action. About this R6, the IT manager stated:

“If it continues and gets to the point where it's negatively impacting our teams productivity, and other people around them, and impacting our business then we'll work with HR to start a disciplinary process and make sure that that person understands what's needed and what we need from them and what we need from them to improve and that we want them to improve and to be successful but in some cases that doesn't always work out and in most cases we have to work with HR to follow the disciplinary process”

- R6, IT (EngCo)

While meetings with employees, displaying actions, and gaining HR support were ways of facilitating the socialising process, one managers acknowledged that resistance to policies and procedures was not a regular occurrence within EngCo. Some managers believed that this was because of the value placed on following procedures and articulating rationale for organisational actions. They explained that it was important to ensure that global policies and strategies were articulated in a way that were useful and relevant to the local subsidiary context. This went far in ensuring that global procedures were being implemented and acted upon as intended by ManCo. It was also stated that this action was more commonly done in subsidiaries based in emerging economies such as China or India where a similar past is not shared. In addition to disciplinary procedures, however, local employees understood that senior AE managers were often the holders of key organisational resources, and this fact was believed to act as a deterrent unnecessary conflict or upheaval. R3 explained:

“Within my team I think it's fairly simple cuz we gotta a set of policies and procedures that

are...love to follow policies and procedures so it's pretty simple. Also as I am the holder of the cheque-book it makes it a lot easier to transfer those policies and procedures to others as well. I think the culture here is one where you don't typically have a lot of resistance to doing the right thing and as long as you articulate the reason why in a positive way and supervise with the individuals with whom we are making the change and then reminding them this is the reason why we're doing this"

-R3, Finance (EngCo)

Indeed, other managers agreed that, in the words of one interviewee, that it was "their job to ensure there was enough culture" (R7, GM). In addition to this, another part of ensuring coordination and control at a local level was through the development of contacts within the local environment. While the ManCo brand was well known internationally, managers in the market claimed the UK market was proving challenging when seeking to market specific product lines, for which there were local and better known alternative brands. As a result, AE managers often sought to further establish the brand by organising corporate events and establishing sponsorship deals in order to build ManCo's public identity. It was typically the senior-level AE managers that were engaged in such activities as they were better able to act as ambassadors for ManCo, as a result of their years of accumulated expertise and company knowledge. R3 provided another example of this:

"I went to an event on Monday night, I was invited by a law firm to go to listen to an academic from Cambridge speak at a private dinner about how organisations change the future. So it was good, I got to sit next to the professor, we got to talk, we exchanged business cards and he explained how organisations change and what that means for the current or corporate structure.

-R3, Finance (EngCo)

In addition to representing ManCo at a local level, such events provided AE managers with an opportunity to engage with people that they would not interact with in the UK-based facility, as well as a lot of people outside ManCo who would go on to become career-long colleagues or potential local information sources. R3 stressed that attending these events was an investment for long-term payback.

The above sections have described the purposes for using expatriate managers within the UK

subsidiary, EngCo. In addition to this, the objectives of these functions were highlighted, and the various activities and processes involved in the achievement of these were outlined. To further inform an examination of where assignees' roles fit and how these roles were monitored, the following section will draw attention to assignee's reporting structure, as well as the observed and intended outcomes of their expatriate roles.

4.6. Assignment Monitoring and Outcomes

To gain some insight into how assignment objectives and outcomes were monitored, interviewees were also asked about their reporting lines and where they fit into ManCo's organisational structure. One of the key observations was that all five parent country managers assigned within EngCo were sent from and reported to the divisional headquarters in the US, while only one manager reported to the company's global headquarters (HQ) in the US. The divisional HQ to which the four managers (R2, R4, R5, and R7) reported was based in North Carolina. The particular arm of ManCo's business division that they worked for was one of thirty, which collectively were responsible for more than fifty billion dollars in annual turnover. R2 in Marketing offered a brief description of the company's hierarchical structure:

“So you got the CEO of the company then you have a series of group presidents, about five or six of those, and they're segmented by the types of business we're in, and then you've got a bunch of vice-presidents, and so this division [business name] has a vice-presidents and that vice-president has several key department heads who are basically aligned by product and then they have a series of division heads so I am one of the division managers reporting to the department head who reports to the vice president.”

- R2, Marketing, EngCo

The above structure reflects the changes in the company's organisational structure post-1990s, as indicated in at the beginning of the chapter. Whereas prior to this period, ManCo company structure and reporting lines were centralised into four key functions, the company was now divided into key divisional structures, as indicated in the above manager's quote. This structure reflected a more decentralised approach and aim at increasing the autonomy of business divisions. Moreover, it permitted a better flow of information across various organisational units by removing layers of bureaucracy between ManCo's head office and subsidiary units. Indeed, the department

head and the vice-president that R2 reported to were based in one such divisional headquarters (HQ). R2 stated that he had responsibility over a locally-based team, and one of the team's members was also based within this US office in the South. When asked about his contact with this office, he stated that this was purely driven by the level at which he operated and whether or not the role being performed was a global one. As his job role was a global one, he stated that this resulted in much broader responsibilities and more extensive contact, in order to report on progress and exchange information. R4, who was also in marketing explained that he was also in frequent contact with the North Carolina divisional HQ but that this was for different reasons. This manager operated at a middle management level, but explained that his contact with the US was a little more complicated:

“So if you go up our string, it’s I am here, then NC, then here, then NC and then Hong Kong. So every one of us in the string is somewhere else. My boss is in the US, then her boss is here so the interesting thing is sometimes if I want to have a conversation with the product manager, I call the US to talk to my boss, and then she might go up the channel... but you know I would directly talk to our product manager here, and keep my boss in the loop”

- R4, Marketing, EngCo

This reporting was due to the global nature of the team of which R4 was a part. Hence, conversations took place on a daily basis with members of the team across borders, to ensure that all employees' activities and efforts were effectively coordinated. With regard to contact with ManCo's global HQ, R4 stated that while he knew employees within this HQ, there was hardly ever a need for him to contact this office while on assignment. Another AE manager who had reported into the division office was R3 in Finance, who had recently returned from this divisional headquarters in North Carolina. When asked about if there was a reason for them to be in touch with the company's global HQ, while on assignment, R3 stated this was done at least once a month but that it was not always necessary:

“They are more coordinating the reporting for the company at the highest level so unless I have an issue, it’s just more meeting their deadlines. But no sort of constant interaction unless there is an issue that I need to bring up.

- R3, Finance, EngCo

R3 went on to explain that he operated within a 'satellite' (business unit), which operated frameworks and structures of management handed down from HQ. It was these structures that

facilitated to the indirect management of activities within the specific business. He stated that he and other employees within this business operate independently, without regular direction or interference from ManCo's global HQ. Unless a specific problem arose, R3 described his usual contact with HQ as 'radio silence'. R5, who was also in Finance, also reported to the divisional HQ in the US explained that his contact with this office was a bit more frequent:

"We speak at least once a week and then there's interaction with my team in NC, daily sometimes depending on the time. And then he will come over typically once a year to visit and then I will go over to NC typically once a year to visit. And then we would do monthly one-on-ones where we would sit down on the phone and have a conversation and then he works and he would talk to me on my performance and how I am doing and getting feedback from R7 here as well."

- R5, Finance, EngCo

The difference in the frequency of contact between R3 and R5 was due to the management level at which each operated, as well as the specific job role being performed within the subsidiary. R5 also explained that while at his level, he did not require the same amount of contact as if he were performing a more tactical role, he maintained regular contact in order to report his results and gain feedback on his performance. However, he also agreed with R3 in saying that he was left alone to manage his team and set strategy in the way that he saw fit:

"It's really up to me to manage the team and set a strategy and vision for the team so he's expecting me to do that he's expecting me to hit my numbers and make my results."

- R5, Finance, EngCo

Other assignees agreed with R5's comments, highlighting the 'hands off' approach to management, and the use of more tangible mechanisms to monitor AE managers' progress. All of the managers interviewed stated that the progress of their particular roles was monitored via metrics and the attainment of previously outlined goals. R6, however, reported to a divisional office in England and then to the regional headquarters for the EMEA (Europe, Middle East and Africa) region. He indicated that he was monitored a bit more closely because of the nature of the assignment for which he was sent. At the time of interviewing, EngCo had been going through a transformation of their technology systems and this process was being headed by R6. About his reporting line he stated:

"For work I have a fortnightly meeting with an IT manager in the US who is also responsible for other factories as a part of [name of business division]...the [name of

business division] has an organisational structure which is for [business division] so I have regular meetings with them and he so happens to be based in the US and that's just to keep us in line"

- R6, IT, EngCo.

This manager stated that this level of contact was set to become more frequent because of another upcoming project. He also stated that there was a specific group within ManCo, who was in charge of rolling out common processes across all of ManCo subsidiary units, and that his assignment fitted into this process. Similar to other interviewees, he stressed ManCo's approach to managing and monitoring the operations of all of its global subsidiaries via specific company metrics, which compared the performance of one subsidiary with the performance of another. About this, he commented:

"There are different metrics that say how you are progressing towards this productions systems target and then it will assess each facility. How are you doing it here? Are you doing it better than the next facility? Some members would talk about [subsidiary name] one of the China facilities. That's one of the top [name of group] metric scores and viewed as one of the best operating facility and how we would learn overall best practice from them"

- R6, IT, EngCo

This was recognised as a common way of quality checking within ManCo, and a means of ensuring that each facility was utilising similar and agreed processes. The high-level metrics within each unit were owned by the senior leaders within each location, who then translated these into meaningful components and targets for the particular subsidiary by the AE managers. With regard to assessing the extent to which managers achieved this, R7, the managing director of this branch, agreed, stating that he was assessed by the business's vice president, based on a specific profit target or the location. Aside from this however, he stated that there was little contact with this individual, and that he was given freedom to run the business as he thought best:

"Yeah the last eleven years I've always had the luxury of being on my own reporting... So I get to run the facilities by myself which I like."

- R4, MD, EngCo

With regard to the outcomes of the expatriate managers' assignment within the particular subsidiary, in addition to the attainment of individual targets, this was also determined by other more tacit results, at various levels of the firm. Many of the assignees interviewed stated the

international experience gained, knowledge of different work approaches, increased presence and competences within the locality, increased understanding of the firm, and improved relationships between home country and host country were key indicators that the assignment was fulfilling its objectives. R7 provided further explanation:

“It allows you to see a lot of different sides of the company, so it gives you a lot wider view on every aspect of the company, because every country has a different culture still. I mean we have those 50-60 percent ManCo culture and the other 40 or 50 percent is the local culture and of course there is some intermingling of that and you start to understand those cultures much better. Also all those divisions have different cultures and report to different parts of the company and you learn much more”

- R7, MD, EngCo

Others managers agreed, and provided other examples of how their understanding and professional careers would be enhanced as a result of the assignment, as well as how their presence aided in enhancing communication between their home country unit and the host country unit, EngCo. This was particularly highlighted in the section on Management Development, where interviewees emphasized the knowledge gained while on assignment. In addition to the measuring of assignment outcomes, the researcher was also keen to find out if any changes in the use of these assignments had been observed over the years. Hence, the below section will go on to outline interviewees' comments regarding changes in the nature or use of expatriate assignments.

4.7. Changes to Expatriation in ManCo

As all interviewees had been with the company for longer than five years, they were in a position to comment on any observed changes in the way that expatriate assignments operated. The one key change that all of the interviewees at ManCo mentioned stated that they had noticed since 2007 was the reduction in the use of international assignments by the organisation. This, they mentioned, was directly related to the economic recession in the US in 2008. In order to avoid cutting staff, ManCo sought to cut a number of internal programmes, which included the reduction of global mobility. As the economy recovered, the number of expatriate assignments began to increase from 2010 onwards, however it remained more limited than in previous years. Another change observed by managers was the increased focus on using international assignments to develop global leaders within the organisation. R3 stated that he has noticed that there is an increased emphasis on leadership in ManCo since he initially started with the company. About this he commented:

“There’s a lot more focus on leadership. I think they’ve implemented a brand new program called [name] which will become, it won’t stop until it gets ingrained into the supervisors and leaders all the way to the top. And they want to instil a culture, different leadership culture that they would like to demonstrate amongst, take all the way down to the leaders. So that’s kind of rolling out at the minute, it what we want to focus on”

-R3, Finance (EngCo)

Other managers agreed that there was a significant focus at that time on creating a leadership culture and developing and investing in individuals who had the potential to lead and exude the company culture while assigned in various global locations. Interviewees stated that this increased focus on leadership was due to the way in which the business was changing, primarily with regard to larger percentages of company activity and investment in less traditional regions. In addition to more international opportunities being created, managers also stated that the top-down approach to expatriate assignments was also changing, with non-US managers increasingly being sent on assignment as well. One manager, R2 clarified further:

“One thing that I would say that has change and that you see more dramatically is because so much of our business has shifted outside the US than when I first started. Maybe 60% of the business was in the US and 40% outside and then it was 50-50 and now it’s probably 60-40 the other way so in the past allot of the expat community were US-based people getting global experience”

-R2, Marketing (EngCo)

A review of information on the company’s history, gain from the corporate website, as well as the 2014 company report produced by ManCo confirmed the above-mentioned increase in the firm’s internationalisation. As a result of such shifts, more third-country managers were being assigned within the UK and other global locations, and more international assignments were being arranged for host country managers to work within ManCo’s US headquarters. A key part of the company’s new leadership focus was to develop local leadership within its UK facilities. Some managers described this as the firm becoming more global and less ‘US-centric’. R2 stressed, however, despite the increased desire to see local managers managing local subsidiaries, the use of inpatriate assignments ensured that they maintained a global view. The GM in EngCo, R7, confirmed this, as he reflected on how the company’s leadership focus had changed over the years:

“I mean it’s only in the later years now that we said we wanted to have local managers...Twenty years ago you would have said ‘Why isn’t an American running this

factory' or locations. It was an American company so it will always be an American at the head. Today, we don't say that anymore we say it has to be a 'Why isn't there an Englishman running this company or a Russian running the Russian operations now.'

–R7,

GM (EngCo)

The HRD and other managers agreed with this, stating that there was a larger flow of AE managers out of other global locations coming into the UK than in previous years. He also used the GM, who was from Sweden, and the Financial Controller, originally from New Zealand, as examples in increasing TCNs coming into the UK, as their positions would have typically been occupied by US nationals. One other change identified by AE managers was an increased shift away from using short-term (ST) assignments. Some managers stated that the rationale behind this was to provide enough time to build longer-lasting connections across the units. About this, R4 in marketing explained:

We're trying to get more people going both ways so we get the teams to work together as opposed to working as two separate product groups...I think for me this is, however long it is necessary to get the experience, make the connections, because when I go back, hopefully those bonds remain, as long as the people over here don't change.

- R4, Marketing, EngCo

Other AE managers echoed similar sentiments, stating that implementing strategy and embedding cultural values was more of a long-term, rather than a short-term under-taking as it took time to re-shape long-held beliefs and values.

4.8. Summary:

This chapter has outlined the findings from the first major case study, ManCo, and highlighted the nature and use of international management assignments within this company. Expatriate assignments within ManCo were typically for a period of two to five years, although some might extend beyond this for specific reasons. Managers who were sent on assignment were those who were identified as top performers and high-potential employees, and had been with the firm for a number of years prior to the assignment. Out of ten AE managers who were based within EngCo, six of these agreed to be interviewed. These managers had been employed with ManCo for an average of fourteen years, and operated at middle and senior management level. With regard to their roles with EngCo, it was found that managers were assigned here for a combination of

purposes, including knowledge transfer, management development, and coordination and control. Within each of these roles, several functions were performed. Knowledge transfer comprised of several objectives, which included knowledge dissemination, knowledge acquisition, and knowledge facilitation. AE managers' management development roles included the development of leadership skills, and the development of global perspective. The third role, coordination and control, involved the consolidation and standardisation of key processes, and the socialisation of local employees. All of the AE managers interviewed performed varied combinations of all three roles.

It was made clear that global management assignments served several individual, organisational and business purposes. Moreover, the need for and use of international assignments within ManCo was found to be shaped by several individual, organisational and environmental factors. The main individual driver was the particular developmental needs of the manager being sent. Organisational factors included ManCo's company structure, internationalisation strategy, and the strategic importance of the particular subsidiary. Environmental factors, on the other hand, included the nature of the local competitive market. Within the UK HQ, EngCo, the use of international assignment was primarily influenced by the strategic importance of this particular unit, intense competition from local competitors, and the wider transformation of organisational processes. In addition to this, managers assigned for developmental purposes were sent here in order to gain more knowledge of the specific line of business products.

Interviewees were also asked about the way in which their assignment objectives were measured, and about the key outcomes of their UK assignments. All of the managers interviewed, stated that their assignments were managed and monitored at the level of regional and or divisional headquarters. While one or two managers maintain contact with the global HQ, this was limited and typically related to specific job tasks. Although organisational objectives were handed down from the global HQ, these were monitored by superiors within ManCo's divisional HQ in the US, with which managers maintained varying levels of contact. The level of contact with this office was influenced by the nature of the role performed by the expatriate manager and seniority of his/her position. The extent to which the outcomes of assignees' objectives were achieved was monitored both formally, through the performance appraisal process, leadership engagement surveys, and organisational metrics, and informally through on-going discussions with the supervisors within AE managers home offices. With regard to the impact of their roles within EngCo, interviewees indicated that these were observed in increased levels of understanding, improved relationships between the home and host country unit, and increased organisational presence and competences within the local subsidiary environment.

Interviewees were also asked about the extent to which expatriate use has changed during their time with the organisation. The majority of interviewees stated that they had noticed a reduction in assignments from 2008 onwards, and attributed this decline to the economic recession in the US at the beginning of this year. Interviewees stated that many assignments were cut as a cost-saving measure but that the number of assignments began to increase again after improvements in the economy after 2010. Assignees also highlighted the increased focus on global leadership within the company, and hence expatriates were increasingly being used not only to enhance managers' leadership skills, but to develop local leadership within foreign subsidiaries. Managers stated that the main reason for this was the shifting nature of the company's global business, as well as a new organisational strategy which placed global leadership at the forefront. They observed that whereas in the past more than fifty percent of the company's business was based within the US, the majority of business was now to be found in more remote and unfamiliar territories. The outcomes of this as it related to the use of international assignments included, a gradual shift away from the top-down approach resulting in the use of more TCNs and inpatriate assignments, and the increasing use of the assignments primarily for the purposes of management development.

In line with the research questions, this chapter has highlighted the use of international management assignments within ManCo, how the objectives of assignments are fulfilled at a micro-level, key factors influencing the use of assignments, and key changes observed in their use over the years. The following chapter will go on to explore similar topics but within the context of the second major case study firm, the US MNC MedCo.

CHAPTER FIVE: PRESENTATION OF FINDINGS FROM SECOND MAJOR CASE STUDY: MEDCO

5.1 Introduction

In this chapter, the key findings from the second major case study, MedCo, will be presented utilising a structure similar to that used in chapter four. A brief overview of MedCo and its UK subsidiary HealthCo, as well as a short description of those managers who were interviewed will be provided. Next, the assignment purposes will be examined in some detail and followed by an exploration of assignment objectives and processes. Following this, the monitoring and outcomes of these assignments will be outlined and finally, the changes to the nature of expatriation within this firm, as observed by interviewees, will be highlighted before summarising.

5.2. Introduction to MedCo and HealthCo

MedCo is a one of the largest diversified MNCs in the US. It is a key leader in the energy and healthcare industry and employs over 200, 000 individuals across the globe. In addition to energy and healthcare, it also operates in the technology and financial services. Currently it has subsidiaries in over 130 countries. This company was formed in the early nineteenth century through the merger of two electrical companies in the US, and is headquarters in the North-West. Some of its other business areas include home and business solutions, and transportation. With regards to its organisational structure, this might be described as a global matrix structure (Bartlett and Ghoshal, 2000). It is organised into nine key businesses, some of which include the business areas mentioned above, with regional headquarters for each business set up in the main geographic regions in which they operate. Each of these businesses are headed by a president and CEO, who answer directly to the Chairman and CEO of the company. This chairman answers to three top level stakeholders, including the company's shareholders, its corporate executive office, and the Board of Directors.

In the last decade, MedCo's strategic focus has been on expansion and leadership in the infrastructure market, enhancing its innovative capabilities across the globe, and simplifying its organisational culture and processes. This is partially pursued through increased mergers and acquisitions of businesses within subsidiary environments, which possess unique technological and innovative capabilities. Indeed, this is how HealthCo in the UK was established, following the

acquisition of a UK PLC in the early 2000s. HealthCo specialises in manufacturing medical equipment, and is heavily involved in scientific research and development, providing key research instruments to scientists. This acquisition extended HealthCo's expertise and widened their portfolio of products offered. HealthCo is also the global divisional headquarters of MedCo's healthcare business, which comprises of around 50,000 employees worldwide. Of these employees, there are about 200 to 250 expatriates. Within the range of assignments offered, expatriate management assignments last typically between three to five years. The assignment range included expatriates who were assigned to and from this UK location. Expatriate assignments mainly consisted of fast-track graduate programmes, where junior employees would be sent to a foreign location for a period of two years, shorter commuter or rotational assignments (up to six months), and long-term management assignments (2 plus years).

5.3. Interviews in MedCo:

With regard to the assignment of managers to the UK, there was a more limited amount of individuals sent to senior managerial posts within HealthCo, and gaining interviews with these individuals was particularly difficult. In total, five interviews were conducted and included four AE managers and one global mobility manager (GMM). The following table (table 7) outlines the key characteristics of those managers within HealthCo who agreed to be interviewed.

Respondent	Department	LOE	LOA	Expatriate type	Previous assignments	Management level
H1	GMM	10yrs	N/A	N/A	N/A	N/A
H2	Marketing	5yrs	3yrs	PCN (US)	4	high
H3	Finance	11yrs	4yrs	TCN	3	high
H4	Sales/Life Sciences	12yrs	3yrs	TCN	1	middle
H5	HRM	10yrs	3yrs	PCN (US)	1	high

Table 8: MedCo Profile of respondents. LOE=Length of employment, LOA= Length of assignment

Prior to speaking with AE managers based within HealthCo, an interview was first conducted with the GMM, H1, who was also based within this subsidiary. With regards to the AE managers

interviewed, these included a senior marketing director (H2), a commerce director (H5), a research product leader (H4) and a senior HR manager (H3). The data findings from the interviews with these five managers will now be outlined.

5.4. Nature of Expatriation in MedCo: Reasons for Using AE Managers

Similar to the interviewing process in the previous case study firm (ManCo), the expertise of the GMM within the UK subsidiary HealthCo was initially sought in order to gain knowledge regarding the use of international assignments in this particular MedCo business, and understand how these assignments fit into the company's global objectives. This individual was H1, who had organised international assignments for more than twenty years. She had worked as a global mobility manager (GMM) prior to MedCo's acquisition of the UK PLC which helped to create HealthCo, and had maintained the same position following the move. At the beginning of the interview, H1 provided a document which detailed the various types of assignments used by MedCo's healthcare business. This document also included details about the length of assignments, the country in which employees were assigned, the department in which they were assigned to, and the start- and end-date of each assignment. From this document it became obvious that the UK location received a more limited number of expatriates than other MedCo locations around the world (e.g US, France, Turkey, China). At the time of the interview, there were thirty expatriates assigned within HealthCo, and of these thirty H1 indicated that just about a dozen were in managerial positions. The non-managerial assignments tended to be six- to twelve-month rotations where younger employees were sent to gain international experience as a part of HealthCo's many leadership programmes. In other cases, individuals were assigned short-term to work on a specific project because of the specific skills they possessed.

Out of the twelve AE managers based within this subsidiary, interviews were gained with four assignees. Although there was a more limited number of expatriates coming into the UK-based HealthCo, as the global headquarters for MedCo's healthcare business, this unit was of particular strategic importance, and as a result there was typically a greater flow of AE managers into this location than those going out. About this, H1 explained:

"I would say they probably are greater coming into the UK and that's purely because we're the head office here. So the senior management team, for example the Head of Finance,

the Head of Communications, the Legal Head, those are all expatriate managers”

- H1, GMM (HealthCo)

All of these managers operated at a very senior level within HealthCo, and had been assigned for period of about between two to three years, which was said to be the typical length of a managerial assignment. The length of time depended on the assignment that the manager was sent to do, and whether they had found a local successor to replace him/her upon completion. Other more practical reasons included the cost of maintaining the assignment for longer periods, as well as the length of time that managers’ work visas were issued (typically three years). When asked about where these managers were assigned from, it was stated that there was a larger volume of expatriates coming out of the European Middle East and North Africa (EMEA), as well as other moves coming from primarily the US and from Asia. With regard to the influx of expatriates from the EMEA region, H1 explained that this was because it was MedCo’s key growth area. About reasons why the current AE managers had been sent to this location, H1 stated that these included knowledge transfer, management development, and organisational control. The fulfilment of these facilitated not only the development of the business but also the development of the expatriate, as well as the environment in which they were assigned. In table 8 below, the reasons given by respondents for the use of international management assignments are outlined.

Assignment Purpose	H1 (GMM)	H2 (Marketing)	H3 (HR)	H4 (Sales)	H5 (Finance)
Knowledge Transfer	*	*	*	*	*
Management Development	*	*	*	*	*
Coordination and Control	*	*	*		*

Table 9. Assignment Purposes in HealthCo According to Interviewees

Similar to the use of international management assignments within ManCo, these assignments within HealthCo fulfilled a number of organisational objectives (discussed in section 5.5.). Expanding upon the rationale behind MedCo’s use of international assignments, H1 stated:

“I would say it’s a key part in helping the business develop their future growth. So take, for example, Middle East North Africa is a key growth area for MedCo and MedCo Healthcare at the moment. Historically we’ve not had a big presence in the Middle East and North Africa so the business objective is to build up and develop the growth and develop the business in those areas... We still have an expatriate manager who is the head of that region and the HR Director is also an expatriate manager. Because they bring with them the external perspective, plus the experience of MedCo, to take it into that region and put in the MedCo policies... So we will use expatriate managers to transfer their knowledge, their skills to another country and processes”

-H1, GMM (HealthCo)

While disseminating key expertise to specific locations, it was stated that expatriates also gained global experience, and facilitated better global coordination and control through standardising policies and procedures around the globe. With regard to the UK-based HealthCo, it was explained that AE managers were needed in key organisational functions (e.g. marketing, HR, finance) to ensure that this subsidiary was aligned with the global business, as it was still relatively young unit. Individuals operating at middle management level were typically those assigned to gain more international experience, in addition to transferring their specific expertise. These managers could be found across various departments within HealthCo. Subsequent interviewees with AE managers confirmed the above-mentioned purposes of international assignments. H2, who also agreed to be interviewed, was a senior-level manager based within the marketing department. Her position in HealthCo was exactly the same role that she performed in her US home office. She had been with the organisation for five years and held the position of Global Head of Marketing Operations in HealthCo for the past three years. Asked to describe her role, she stated:

“So I look after all of the 1400 marketers that we have across the world in terms of making sure that the function is running as it should. So systems, processes, people and platforms is the way I look at it, so global budgets, global priorities”

- H2, Marketing (HealthCo)

H2, who had been assigned from the US headquarters, indicated that her primary role was a

mixture of knowledge transfer and control as the transfer of key systems, procedures and organisational knowledge helped to ensure that the local business had the expertise that it required, and was aligned with MedCo's global objectives. When asked why she was assigned to this specific location, she also stated that there were some more practical reasons, including the need to be co-located with her boss, and the London time zone which made it easier to communicate with clients across the globe. Another AE manager based with HealthCo, and who had been assigned from HealthCo's US office, was H3. This senior manager had been with MedCo for ten years and was assigned within HealthCo as senior HR manager. Similar to H2, she had been assigned primarily for knowledge transfer and control purposes. She also stressed, however that it there was also a developmental rational as this was her first assignment outside of her home country, the US. She had been assigned to the UK-based HealthCo in 2011, around the same time as H2, and, in line with H1's comments regarding the strategic importance of this particular branch, H3 stated that this was because this branch was a global corporate headquarters, which meant that HR leadership was important.

Another senior-level manager interviewed was H5, who was assigned as a finance manager within HealthCo. Similar to H2 and H3, he indicated that he had been sent to the UK-based headquarters in order to transfer his specific expertise, as well as to ensure coordination of the subsidiary's financial activities with global and regional standards. H5 had worked within MedCo for eleven years, and was currently undertaking his third international assignment within the company. As a result, he stated that while he always benefitted from the global experience, there was no developmental emphasis on his particular UK role. While the roles of these senior AE managers were more knowledge and control related, those at middle management level were often assigned primarily for knowledge transfer and management development purposes. An example was R4, who was based in Sales and at the time working as a product portfolio manager. He had been working at HealthCo for twelve years, and was previously based in a small HealthCo sales office in Belgium. Similar to H2 and H3, this was his first expatriate assignment. Unlike other assignees, however, he had undertaken three different roles in HealthCo's UK headquarters over the three years that he had been assigned. His other two roles included Commercial Operations manager, and Product Manager Lead. More about his particular path will be discussed within the section devoted to management development. H4 also stated that he too was assigned in order to transfer

unique knowledge to this UK location. However, as with the roles of many other interviewees, it was difficult to neatly separate his functions into one of the three main expatriate functions. The following section will delve further into how these assignees' roles were undertaken within the UK-based HealthCo.

5.5. Assignment Role Mandates and Processes

According to interviewees, objectives related to knowledge transfer included the transfer of MedCo's global perspective and values, transfer of technical/managerial expertise, and acquisition of local knowledge/best practices. Key management development objectives involved development of a global perspective, enhance professional networks, and development of leadership skills. Coordination and control-related objectives involved consolidation and standardisation of policies and procedures, expanding global information networks, and global team coordination. As indicated in this and previous chapters, none of these roles are mutually exclusive from the other. However, in the following sections they will be discussed under separate sub-headings in order to provide a fuller description of the activities involved in achieving the various role objectives. The following table (Table 9) highlights the key role processes that expatriate managers performed while on assignment and how managers achieved these within HealthCo.

Role Mandates	Assignment Role Processes	Managers involved
HQ perspective/values	Daily formal and informal interaction with local employees; demonstration of company values	H2, H3, H5
Technical/managerial expertise	One to one mentorship; team discussions	H2, H3, H4, H5
Local knowledge acquisition	Daily interpersonal interaction with local employees and external stakeholders	H2, H4
Develop global perspective	Daily interaction with local employees and other stakeholders in local environment; presence in a foreign environment	H2, H3, H4
Enhance professional networks	Attendance at internally organised leadership events within MedCo	H4
Develop leadership skills	Day-to-day management of local team within subsidiary; participation in formal leadership training/workshops	H2, H4

Standardise/Consolidate policies and procedures	Negotiation with local employees; implement/install key organisational processes (P and L statements) and demonstrate to employees how to use these	H2, H3
Translate company objectives	Team meetings/ one-to-one explanations with local employees to explain how global objectives might be implemented.	H2
Expand global communication network	Provide access to resources from home office; interact with local staff and stakeholders	H4
Coordinate with global team	Communicate global initiatives to local employees (meetings; electronic communication)	H2, H3
Socialisation of local employees	Negotiation with local employees; demonstration of expected behaviours/values	H2, H4

Table 10: HealthCo Expatriate Assignment Role Processes

AE managers' role mandates and the processes involved in achieving these will now be discussed below, using a similar structure as in chapter four.

5.5.1. AE Managers' Knowledge-related Roles

The GMM at HealthCo (H1) made it clear that international assignments were used in order to achieve a number of knowledge transfer objectives including the transfer of company expertise to key manufacturing areas, the training up of potential leaders in the subsidiary environment, the short term upskilling of employees on specific product line, and the dissemination of the company's global perspective. This involved the establishment of organisational metrics (e.g. marketing and HRM software, profit and loss budgets), and other key head office processes at a local level. The various knowledge-related roles identified by interviewees will now be discussed further.

5.5.1.1. Knowledge Dissemination

Similar to knowledge transfer processes within ManCo in the previous chapter, the nature of the

knowledge diffused to MedCo's UK subsidiary, HealthCo, was both explicit and tacit in nature. Such knowledge consisted particular expertise regarding specific work processes and key business systems developed within the US headquarters. In addition to the implementation of these more tangible processes, AE managers were also expected to disseminate tacit expertise including knowledge of how established processes were to be utilised. In addition to this, AE managers also transferred knowledge of 'MedCo' perspective and core values, and the way in which it conducted business with various stakeholders.

Specific Skills/Expertise:

All five of the managers interviewed agreed that AE managers were typically sent to HealthCo because of the specific skills or expertise that they possessed in their relevant disciplines. More specifically, because of their acute, accumulated knowledge of particular organisational processes and systems, these AE managers were sent to establish key global systems in this UK location. The skills and processes required were usually within the business support functions including finance, HR, and marketing, and it was normal for managers to be assigned to establish, for example, specific profit and loss budgets, and other key business systems, processes and platforms. H3 was among those managers who were sent to set up such systems and explained this was linked to the young age of the UK-based global HQ. Prior to her UK assignment, this manager had been based in one of MedCo's US-based subsidiaries in the North, where she provided HR client support. Within the UK, she was also providing HR client support but at a more senior level. Like other interviewees, she stated that her presence in HealthCo was because of relatively recent business acquisitions and the need to integrate these into the MedCo structure. While this function is listed under knowledge transfer, it closely mirrored the consolidation role of AE managers' control function, as managers transferred their unique knowledge to the location in an effort to reduce duplication and ensure that the unit was aligned with the global headquarters. About this, she stated:

“So they asked myself and a few other people would you be interested in this role on an expat assignment based in the UK. And given my experience and background with setting up product P&Ls in the business and integrations, and again this business is going and doing some acquisitions, that experience crossed over nicely with what they were looking

to do in this particular business.”

- H3, HRM (HealthCo)

H3 comments were supported by the other AE managers interviewed, who stated that they had been sent for their unique knowledge of specific MedCo processes. It was also made clear by H1 that these assignees were not simply individuals who were good at their role, but they were typically specialists in their field, some of whom had a medical background because of the nature of the business and the need to understand the machinery being sold. Within HeathCo, these managers were also expected to instruct local employees on how these processes functioned. This was also a key reason why a significant number of expatriate managers were often assigned in the finance department. H1 stated that this was in order to establish key financial processes and systems within the UK that were also being used across all global subsidiaries, and provide expertise on how these were to be utilised. This interviewee explained observed:

“Quite a high proportion in finance and that tends to be because the finance department in MedCo has its own specific processes and tools and finance accounting systems so quite often they prefer to have somebody from within MedCo rather than recruit a complete outsider in the country who doesn’t know MedCo’s systems and processes”

- H1, GMM

(HealthCo)

This rationale was confirmed by the AE managers who were interviewed including H5, who was based within the finance division of HealthCo. This manager explained that the reasons for him being selected for the role were based on his experience working within MedCo’s French and Turkish headquarters. Within his roles in these offices, he had also built up a high level of technical expertise in the creation of financial tools and profitability awareness. He explained that selecting expatriate managers for such roles were a matter of trust, and that as a finance manager, he was charged with overseeing the profitability of HealthCo. When asked more about what this role required of him at a local level, he explained that he was sent to build up local teams within the finance department, and raise profitability awareness among employees. With regard to the type of skills needed for this particular expatriate assignment, he commented:

“It's about certain expertise developed in different countries and environments, they wanted to replicate my expertise in Istanbul. Growing the team locally. Here they wanted someone to come and build the teams. Here it's more my technical knowledge as opposed to my business knowledge”

- H5, Finance (HealthCo)

This manager was also the financial director for the MedCo's EMEA region and the technical knowledge mentioned referred to specific financial processes related to analytics, business planning, and money management. He explained that the dissemination of such knowledge was achieved through the organisation of several meetings and workshop sessions, as well as daily interpersonal interaction with local employees, and significant tele-conferencing and phone interaction with a group of thirty employees across the EMEA region. The possession of different types of functional and organisational knowledge helped to explain why international management assignments were still used when local technical skills were present within the subsidiary environment. H4 in Life Sciences also pointed out that where local talent was available and the company opted still to use an expatriate, it was because they preferred to use someone internal for the position. About this he stated:

“I think lack of a good pipeline of talent for sure. A UK-based person would probably have been able to perform that role, would have been external though. Which is the reason why they went for me because I was an internal option however based in Belgium”

- H4, Sales (HealthCo)

H1, the GMM, confirmed this, stating that it was the particular company expertise of such individuals that were valued in such instances. With regards to transferring their particular skills within the local environment, it was also expected that managers who were assigned within HealthCo would identify a local successor for their position and train up this individual. H1 explained that it was the hope in most cases to have the position filled by a local employee when the AE managers' contract expired. Though this was the aim, she also made it clear that this could not always be attained. She explained:

“Ideally it's the expatriate manager who identifies a local employee in the country where

he's working and trains them up, or transfers his skill and knowledge and trains them up so that they can move into that place and he is replaced with a local employee so the expatriate manager goes back home. That's the ideal scenario. It's not always possible."

- H1, GMM (HealthCo)

This approach was similar to that used by ManCo, the US manufacturing firm, where such assignments typically lasted for more than three years to ensure that there was enough time for skills to be imparted. In HealthCo, however, H1 made it clear that such local training was usually short-term in nature, lasting between six and twelve months during the AE managers' UK tenure. Whereas such assignments in ManCo might run past three years, cost was a key consideration in this decision within HealthCo, as assignments that extended beyond this time became even more expensive for the company to maintain. Hence the sooner the local was operationalised, the better it was financially for the company. At the time of the interview, while AE managers were sent to transfer their unique knowledge, none of the managers interviewed indicated that they were involved in the training of a local successor.

Headquarters perspective/values:

All of the managers interviewed agreed that it was important that HealthCo, as a part of MedCo, gained a more international view of the corporation. It was important that there was an understanding within this UK subsidiary of how the global business might approach particular activities or jobs, and AE managers who were transferred from the US-based offices, or who had worked with the firm for a number of years, were best placed to provide this view. Through assigning foreign managers with considerable experience within the business, fresh and external perspectives were gained and could be used to approach situations from different angles. Indeed, this was one of the reasons that H2, a senior marketing executive, was sent to this location. During the interview, this assignee provided an example of how she helped to convey aspects of MedCo's perspective or approach to work within the local subsidiary. She stated:

"What I left for them I think is a positive 'can do' attitude goes a long way in MedCo. People tend to gravitate to people who make you feel like anything is possible and excited about the challenges ahead verses some of my English counterparts feel...they first

complain about it, and then they can get their head around it, but they think it was fun that people have told me that it was good to get a perspective from an American about an American company.”

- H2, Marketing (HealthCo)

The work ethos displayed by this manager, and which she attempted to transfer mirrored many of MedCo's corporate values, some of which included Meritocracy, Drive for Growth, and Excellence and Innovation. This particular expatriate's role was very inter-related with the socialisation role of AE managers, where managers sought to embed the organisational culture within the local subsidiary. H2's attempt to transfer such values might also be seen as an effort toward that end result. As indicated by her comments, such values were transferred during interpersonal communication and interactions with local colleagues. This could be in meetings, over the phone or on a one-to-one basis. When asked about how the transfer of values was achieved in practical terms within HealthCo, she provided further explanation:

“I think you would see it in meetings...If we're all sitting around a big conference table with 20 people in the room and when a questions was asked I would respond with a 'yes things are taking on, we can do this". People at first felt like she agreed to fast and there's gotta be a catch here, "Maybe is she not getting it", but what they kept seeing time and time again is that my behaviour of taking something on or that I can do that was rewarded by home office back in the US”

H2, Marketing (HealthCo)

This manager stressed that it was through the overt display of the MedCo approach and demonstration of how this was rewarded was key in diffuse such tacit knowledge at a local level. Other interviewees stressed once again that this was why senior level managers with significant experience and built up trust were preferred in some instances to fill a particular position within the local subsidiary, as opposed to using a local employee. These sentiments were also in agreement with the previous comments from H1, the GMM in HealthCo, who explained that these expatriate managers brought with them a different way of thinking into the local organisation. While other managers also indicated that their presence provided the local subsidiary with a global

view, they stated that this was not the primary reason for their assignment within MedCo. Other knowledge-related reasons are outlined further.

5.5.1.2. Knowledge Acquisition

While AE managers indicated that they were transferred for their company expertise, they also indicated that the transfer of knowledge flowed in both directions. H1 stated that in many cases, the managers assigned to HealthCo were in very senior positions and hence were not transferred primarily for management development. However, although they were engaged in the dissemination of knowledge within this UK location, the experience of being on an international assignment also allowed for the acquisition of valuable and various forms of knowledge, which benefitted both the employee and the organisation. Although this knowledge was specific to the local environment, in many cases it was also context generalizable which made it useful outside of the UK environment. Examples of such knowledge will be provided in the below section.

Understand Local Environment:

Only one manager indicated that understanding the local environment were among their chief priorities while on assignment. It was indicated, however, by another manager that this priority might be emphasized depending on the stage in the manager's career at which the assignment occurred, as well as the focus of the particular job role. Where AE managers operated at a more senior level, then it was unlikely that they would be expected to acquire knowledge from the local environment although some knowledge acquisition still occurred regardless of initially outlined intentions. This opinion reflected the profile of interviews as three of the four AE managers interviewed operated at a senior level. H3, who was based within the HR department, stated although this was her first expatriate assignment, understanding the local environment was not a key priority that she was primarily sent as a result of her seniority and functional expertise. Other senior AE managers agreed, explaining that the emphasis of their particular assignment was that they share their particular expertise with the local environment. Regarding knowledge acquisition during his three years on assignment, H4, the one middle-level AE manager, stated that being in the global headquarters and working with individuals from diverse national backgrounds helped to enhance his international experience and ability to engage with various cultures. Other managers also highlighted the differences in culture as an opportunity to expand their knowledge base by

learning about different approaches to work and cultural backgrounds. In describing what she learnt while based in HealthCo, H2 in marketing stated:

“The other thing that I will take from a business perspective is that I now have an appreciation for the rest of the world and what I mean is that when you’re the guy that sticks out, it forces you to appreciate everybody else’s differences because you want them to appreciate yours. So I think that it was humbling to go alright the US is not the centre of the universe. It’s kind of the ‘Aha’ moment”

- H2, Marketing (HealthCo)

Similar to this, where managers reported that they had learnt from the local environment, it was mainly to do with understanding different cultural environments and how to respond appropriately in different organisational contexts. Though managers had been with the company for some time, they all agreed that such experiences were eye-opening and would benefit them moving forward in their careers. The following section will examine AE managers’ role in the facilitation of knowledge within and across different global subsidiaries.

5.5.1.3. Knowledge Facilitation

Another aspect of AE managers’ knowledge transfer was the facilitation of knowledge between various organisational units and also between various stakeholders. This role was very similar to expatriates’ coordination role as the emphasis within HealthCo appeared to be on establishing effective communication between the subsidiary and other organisational units. Particularly, it was important that those assignees who performed a global role could adequately communicate with and gain information from employees in widely dispersed geographical locales. To ensure this, these managers engaged not only in the linking of organisational units, but ensured that the knowledge being passed to and from the local subsidiary was understood and interpreted in the way that accurately conveyed MedCo’s global mandates. With regard to facilitating better communication, H2 stated that one of the reasons that she was sent to the UK headquarters was because of the need to be co-located with her boss. She had stated that the London timezone facilitated better communication with her global clientele and team members. While this might be conceived as more of a practicality, she stressed that it was among the primary motivations for her

being assigned to the UK, in light of her global mandate. About this she explained:

“It allows me, my mornings are dedicated to India and Asia, and my afternoons are dedicated to the US and Europe, that’s just how my day works. So I start my early morning, my 8 o’clock meeting with my friends in India or the marketeers in China and different places. And then the afternoon is consumed by the US. The timezone from London allows you to support all those people”

– H2, Marketing (HealthCo)

H2’s physical location within HealthCo aided in better communication with her marketing counterparts across subsidiaries in different geographic zones. Her comments were in agreement with comments made previously by H1, the GMM, who had stated that among the reasons that HealthCo UK headquarters received many AE managers were because of the nature of their global role, as well as the need to be located in the same facility as their immediate superior. H2 also went on to explain that it also helped to increase productivity because when her tasks were completed and her day wrapped up at 7pm, she could pass these on to colleagues in another country to carry the project forward. This meant that she could work around the clock as opposed to having to wait because of large disparities between time-zones. This was also the same for her interaction with her global clientele, which included not only global customers but also vendors. Another manager, H4, stated that it was also in the best interest of the company to have him located within the UK headquarters as he was part of a global team. He stated:

“Eighty percent of the team members was based in the UK so that was a direct argument to have this position based here. Secondly it’s the global headquarters, so global headquarters tend to have more roles available and opportunities available than remote locations.”

- H4, Sales (HealthCo)

More about the potential opportunities mentioned by the above manager will be discussed in the section devoted to management development. Similar to H2, H4’s manager was also based in this UK headquarters and hence co-location allowed for better communication and coordination of

tasks. He explained that being based in the same location as the rest of his team allowed for better understanding of and greater access to key stakeholders involved in particular projects. He also highlighted the short-comings of more formal communication mechanisms in global-team working, and explained that these were often supplemented through the use of international management assignments to ensure that companies are able to harness as much knowledge as possible, and avoid misunderstandings. H1 stated that this particular use of international management assignment was more common in headquarter units such as HealthCo, where many senior executives were typically located. She explained that several of the AE managers currently based within MedCo (including some not interviewed) were situated there in order to work more closely with their superior.

Some managers explained that while it was one thing to transfer particular processes and systems and teach local employees to use these, managers also had to make sure that employees were actually motivated to abandon or adapt previous practices and take up new practices. As stated in chapter two, translation involved the manipulation of knowledge in order to ensure its applicability across varying cultural settings. Of the managers interviewed, one manager indicated that they current assignment emphasized such objectives. This was H2 who identified this as a key priority for her while on assignment. This role was undertaken by senior-level AE managers who were typically sent from MedCo's parent country. This was also seen within ManCo, the first case study firm, where as part of their management development, middle-level assignees had to demonstrate their ability to translate global policies at a local level. Within MedCo, the need for knowledge translation was brought to light when the US headquarters tried to transfer an eco-friendly system to machinery at a local level. However, this clashed with the business number one priority, which was creating life-saving machinery as opposed to energy efficient machinery. H2 explained below what had to be done to make this system work within the local setting:

“Whatever the strategy is or the big brand that comes out of corporate, my role is to make sure that that gets translated. And sometimes that's very strategic work that I have to do because I have to think about well does eco-friendly mean...So what I had to do was go back and work with corporate to say of the thousands of products that we have it doesn't make sense for a handful of those to be bothered to go through the certification process and so forth because they are never going to be eco-friendly. They are important to

mankind but in a different way. And so I just had to make it make sense for my business.

- H2, Marketing (HealthCo)

H2 went on to explain that in addition to translation headquarter mandates, she also engaged in negotiations with various internal groups to gain acceptance. This process will be further explained in section 5.5.3 which focuses on assignees' control function. Of the four AE managers interviewed within MedCo, this manager was the only who stated that they were involved in some form of knowledge translation. If other AE managers were involved in such a role, little was said to indicate this or explain how it might occur in their roles. The following section will move on to look at AE managers' management development function.

5.5.2. Management Development:

All of the managers interviewed indicated that management development was one of the primary motivations for using international assignments within MedCo. At the same time, however, while managers did benefit from being assigned to the UK headquarters, only one of the four managers indicated that this was among the primary motivations for their current assignment. When asked about the value of assignments for management development within MedCo, managers identified three key reasons, which included the development of a global perspective, the development of leadership skills, and increased visibility/career opportunities. Each of these will now be further outlined.

5.5.2.1. Developing a Global Perspective

Interviewees stated that, as leaders and ambassadors of MedCo, it was important that managers developed an appreciation for other cultures and understood that there were different approaches to work and organisation apart from that used in their home offices. Hence, another key reason for the use of international management assignments in this MNC was to provide the opportunity for current and or future leaders to gain a more global perspective of management by becoming immersed in a less familiar cultural context. MedCo had a wide range of international assignments that it used for this purpose, and hence, as stated by H1, individuals could be sent on assignment from day one within the company. With regard to international management assignments, however, these were often reserved for those who had been with the company for five years or more. Indeed,

H1 explained that individuals were typically sent on management assignments in their thirties and forties as by this time they had reached managerial status within the company. Of the AE managers interviewed within HealthCo, three of these were at a senior level (H2, H3, H5) while the fourth (H4) was at middle-management level. Those at senior management level, H3, for example, stated that with regard to why they were sent to the UK-based subsidiary, management development was not outlined as a priority. About this H3 commented:

“Because I would say that I am later in my career but the benefit is the experience that I bring to this role verses someone who is maybe five years out of school. So it’s not really in the development area of say, ‘how can they experience the global environment”

- H3, HR (HealthCo)

While other interviewees agreed with this sentiment, all stated that they still benefitted personally and professionally from their current assignment, stating that it helped to expand their world view. Some explained that the completion of an international assignment was an essential part of developing a more open-minded view of the organisation, which was necessary skill for a future global leader. Comments by H2 helped to shed light on the benefits of working outside a home country setting. This manager stated:

“I think it makes you a more marketable employee outside of MedCo and maybe a little bit within MedCo too, because they say oh she has done an international assignment and you toughed it out, you did it, you can pull your own weight with the different culture. And I think that’s really important to be able to show that an American can work outside of the protected world of an American company”

- H2, Marketing (HealthCo)

This was a key professional benefit of having completed an international assignment, as expressed by the majority of interviewees. H2 went on to provide a more specific example of how her thinking was impacted by working within EngCo:

“There is a definite difference in the communication styles. Americans tend to be more brash and to the point...My English counterparts tend to be more precise in the language

and more eloquent...So I had to teach myself to be more patient, so I think I'm taking that back right to the US, to say you know what, you can breathe, you can have business conversation and really hear what they have to say, and the other thing that it taught me is that I might have been missing something before because I wasn't patient about the transaction"

- H2, Marketing (HealthCo)

This manager also stated that the demonstration of such skills resulted in increased confidence and trust from their home office. Other managers shared similar sentiments and gave examples of how being AE manager helped to expand their global perspective. H4, who was based in Life Sciences, gave insight into the benefits of working within a global headquarters, as opposed to the Belgium office from which he was assigned. He stated:

"Being in an international hub, it feels like there is a wider view to the world I feel it's dynamic, I feel there is a broader base of people and viewpoints. A bigger international variety and diversity which adds to the richness I think, to the work environment. Whereas even though you are working in an international context from Belgium the mix or the diversity is much less than we have here."

- H4, Life Sciences (HealthCo)

It was agreed that the diverse experiences and interactions of AE managers within the local subsidiary and its environment helped to expand their thinking around specific employee actions within the organisation. Managers emphasized that in the same way that they brought the global perspective to the UK-based HealthCo, interacting with local employees and stakeholders helped them to appreciate the rationale and reasons behind certain actions taken or approaches used by these individuals and how they might benefit the firm if applied within other offices around the globe. Such new approaches and thinking facilitated the development of new organisational and managerial capabilities, and increased cultural understanding across the organisation as a whole. This 'global mindset' was seen as a key part of managers' development as organisational leaders, which will be further discussed below.

5.5.2.2. Enhancing Leadership Skills and Global Networks

Within MedCo, there was a range of approaches taken to developing managers for global leadership. The development of managers' leadership qualities occurred both formally and informally while on assignment. Although management development was not the main focus for the majority of interviewees, some stated that leadership development was taken very seriously within MedCo, and as a result there were several mechanisms used in order to enhance such skills. In her interview, H2 stated:

“MedCo has a very intense culture of leadership development. So there is a course called [course name] which all executives need to go through at some point in their career... You have formal training about how to manage people from different cultures, how to manage within a culture where you're the minority, I mean they do lots of those role play activities and kinds of things”

H2, Marketing (HealthCo)

This leadership training typically occurred in the firm's global headquarters, and consisted of organised workshops and training courses on specified topics. This AE manager stated that such training, in addition to the assignment, was essential in order to ensure that future leaders within the organisation had an appreciation for living and managing within varying global contexts. Besides gaining more cultural awareness, these programmes resulted in other benefits as well. H4 in life sciences also commented on this leadership programme and the advantages that it extended to managers assigned within HealthCo:

“There is a corporate leadership development programme at MedCo which enables you to go to courses. And there you get to know peers from other businesses at similar levels or different levels, or similar functions or different functions. You always tend to grow your network in those kind of areas.”

-H4, Life Sciences (HealthCo)

From these comments, it became evident that in addition to leadership training, this programme was also a key way for future global leaders to extend their global network across different

organisational units. Such networks were capable of identifying and facilitating several business and professional-related opportunities for AE managers. In addition to this leadership programme, this manager also stated that coaching within various internal affinity networks was also another more informal way of further extending his global network and making contact with individuals whose path he would not normally cross. These various programmes in MedCo were available for assigned managers to take advantage of, and typically supplemented their daily experiences within HealthCo. The assignment itself, however, acted as the main form of leadership development, which was enhanced as they engaged in the daily routines and rituals of leading their local teams, and delivering upon pre-set organisational goals within their assigned unit.

The completion of an international assignment also bolstered managers' career opportunities. Some managers stated that it was expected that they might return to a more senior position within their previous office or another of MedCo's global offices, although this was not always guaranteed. There was an expectation that through undertaking and successfully completing such assignments, managers became better equipped to assume further leadership responsibilities or roles. H1, speaking about the position undertaken post assignment, stated:

"It would tend to be a promotion...So generally an international assignment, the assignees there, their international assignment is seen as career development so typically we would expect them to go back to a promotion. The only ones who wouldn't would be [those] who just do six-month rotation as part of their programme for their development"

- H1, GMM (HealthCo)

These comments were confirmed by other managers who agreed that they would typically expect to be promoted having returned from an expatriate assignment. In agreeing, however, managers agreed that this was often dependent on available opportunities and other circumstances within the organisation. H5, who was based in finance stated:

"Naturally you expect it will accelerate your career. After five years of expatriation I expect to be promoted but it is not an equation, but typically when you go on an expatriate assignment you would expect to be promoted after."

- H5, Finance, HealthCo

Indeed, the general perception of interviewees in HealthCo was that if you wanted to move

upwards within the company, then it was essential that you completed an international management assignment. Many of the interviewees acknowledged that international management assignments were a key way of developing employees' ability to adapt and adjust to different global environments. H3, who was based in the HR department, had some experience with the organisation of international assignments back in her home office, helped to elucidate how such assignments contributed to the development of such skills. She stated:

“So someone who has only ever lived in Europe and they have the opportunity to go to Asia or the US, it helps with that rounding out. So it’s a little bit on what the person’s development needs, but also again the mind-set and the style of being open and being global.”

- H3, HRM (HealthCo)

These remarks helped to highlight how such assignments help to contribute to managers' career progression, as such global insight made them more attractive for various organisational opportunities. One of the key ways in which international management assignments aided in assignees' career progression was by increasing their global visibility across the organisation. These exposed managers to opportunities that they would not have otherwise been privy to. One of the AE managers interviewed, H4, explained further about why he applied for the role within HealthCo:

“My area of expertise is more on the commercial front, so I did have some value to bring to the role when I started my expat assignment. But it was a case of being closer to the global headquarters, getting more visibility, more opportunities during my international assignment”

- H4, Sales (HealthCo)

This manager went on to explain that by being based in an international headquarters, he was constantly exposed to key stakeholders, who sat in nearby offices. It was stated that in addition to better communication with those leading key processes, a more detailed and holistic picture of arising matters could be gained, as compared with speaking to individuals via electronic means. With regards to long-distance meetings, H4 stated:

“[With telecom] you get always the official side of the conversation whereas here you get the whole big conversation, the post and pre meeting comments...A stupid example is when

you go to telecom, quite often a CEO will put a phone on mute and have a side conversation and then continue, you wouldn't even notice on the other end of the line. But if you are in the room you are much more aware of what the real complexity and where a discussion is potentially going, body language, that makes a difference."

-H4, Life Sciences (HealthCo)

By being privy to the full depth of conversations with key internal stakeholders, this manager was exposed to more career-enhancing opportunities, and gained a more holistic look into projects that he had been involved in. When learning more about this assignee's history within HealthCo, the career-enhancing benefits became obvious. Within the last three years, since being assigned within HealthCo, he had progressed on to two other roles within this facility. He explained that this would not have been possible if he had stayed in Belgium:

"There is not a lot of operations being based out of Belgium, there is a very limited amount of opportunities available at my level. So if I had to go back for me it's a step back"

- H4, Sales, HealthCo

Unlike other AE managers interviewed, this particular manager explained that upon completing his international assignment, he would initiate the process of becoming localised within this global headquarters.

Not all assignments led to an immediate promotion upon completion, however it was still expected that future global leaders demonstrated that they could cope both personally and professionally outside the company's home country setting. H3 provided insight based on her expertise and experience as an HR executive, rather than in the capacity of an AE manager. She explained that having helped to organise such assignments before, this was typically the rationale of the company when considering how future leaders should be developed. With regard to her international assignment, however, H3 stated that as she was in a more senior position within MedCo, her assignment was more based around consolidating processes at a local level, which will be explained further under coordination and control. With regard to the extension of career and development opportunities, H3 explained that assignments for management development typically occurred at an earlier point in individual's career, when individuals were typically able

to be globally mobile. She explained:

“Since I am in human resources what we generally see, people are more interested to do global assignments early in their career before they have families etc. Because once you have kids and kids are in school sometimes that’s a more complicated thing, to move away from that support structure of family is more complicated.”

-H3, HR (HealthCo)

Although this was said to be generally the case within MedCo, two of AE managers interviewed (H2, H4) were currently on their first assignment. These managers indicated that this was due to other organisational circumstances that prevented previous attempts to initiate the global assignment earlier in their careers. Next, how international management assignments help to achieve coordination and control will be discussed.

5.5.3. Coordination and Control

International management assignments in MedCo were also aimed at increasing the coordination and control over the firm’s global activities. This was one of the main reasons highlighted for the use of AE managers within HealthCo. With regards to how this was achieved, interviewees stated that their objectives primarily included the consolidation and standardisation of organisational processes, and the socialisation of local managers. What managers stated about these will now be outlined.

5.5.3.1. Consolidation/Standardisation of Processes

Two of the four managers interviewed stated that they were sent to HealthCo primarily to standardise specific processes and provide strategic support in key functional areas. As a result of its relatively young age and its strategic importance, there was a need to bring organisational processes used at a local level in line of MedCo’s global practices. It appeared that there were more assigned managers, who were not interviewed, assigned within this subsidiary because of its strategic importance. About this, H1 (GMM) declared:

“Even our Chief Executive is an expatriate manager, and therefore they’re here from

another country and because of the fact that they're sitting here there will be other people coming from other countries to sit in the head office to be close to their senior manager."

- H1, GMM, (HealthCo)

Indeed, this was among the reasons that H2 was assigned to this UK office as stated previously. Where some AE managers operated within a global role, then it was necessary to ensure close alignment between HealthCo and its MedCo headquarters in the US. Upon being asked about why she was chosen for this role, she stated:

"The reason that we felt that this needed to be a position that was an expat role is that it needs to align very directly,...which is for practical purposes is the chief operating officer of the marketing department, needs to be closely aligned with the chief marketing officer, the CMO, he is my boss and he is right there in London"

-H2, Marketing (HealthCo)

It was made clear by H2 that centralisation of the global marketing function was the key objective of her UK role. She explained that she was responsible for people, processes and platforms for all the marketing strategy in HealthCo globally. As such, it was her role to identify and eliminate duplication and inefficiencies within and across these various platforms. She explained that at the time of interviewing, there were over one hundred plus systems that were being used across the global units, and it was the company's aim to narrow these down to five. The high numbers of systems being used was due to various employees doing what she referred to as 'too much of their own organic work'. As a result, this assignee was sent to pull various processes together and simplify the number of systems in use. She explained why it was important for this role to be an expatriate role:

"Well the role itself is not a new one... There is definitely a reason to, when you have got that many marketeers spread across the globe the way we do it's good to have someone looking after things like systems. You don't want to have 17 different vendor contracts to do one type of functions. So that's what the role is bringing to the table"

- H2, Marketing HealthCo)

Given her particular mandate, this manager worked very closely not only with her boss, an expatriate who was also based in HealthCo's UK headquarters, but also with HealthCo's corporate office in the US to ensure that this UK branch had the best tools at the right time. This assignment role was closely affiliated with AE managers' knowledge dissemination role objectives.

The standardisation of organisational processes was also why H3 was assigned to this particular office. This assignee was based within HealthCo's HR department and when asked to describe the key purpose for her expatriate assignment, this manager stated:

"The main objectives are to provide HR leadership to a growing business. To provide organisational design and structure to a business that's shifting in different areas. To fully integrate the acquisition that we did into what our business strategy is..."

- H3, HR (HealthCo)

When asked more about what her role entailed H3 explained that it primarily involved making sure that the local had the HR strategic business support that they needed, and to ensure that it was engaged not only at a local level but with the organisation as a whole. This role required her to liaise daily with the CEO and the Head of HR, who were also based within HealthCo, in locally established Centres of Excellence (COEs). In such meetings, H3 could ensure that all parties understood what the company was looking for and expecting from this subsidiary. Progress towards this end would then be relayed to other corporate groups across the organisation. About this communication, she stated:

"Yes they are both based in the UK and they are GE offices and that was a part of, since the CEO was based here, that's part of why this role. They wanted to put this HR role here. Prior to me taking this role, the HR leader was based in the US"

- H3, HR (HealthCo)

In addition to this local communication, this manager stated that it was also necessary for her to be in contact with her colleagues in the US global headquarters for the MEdCo's Healthcare business. She explained that this was because of the global nature of her role, while required frequent global interaction across several subsidiary units.

In addition to H2 and H3, other managers agreed that AE managers were necessary for to facilitate the streamlining of specific processes within HealthCo, to ensure alignment with MedCo headquarters in the US parent country. Similar to the use of AE managers within the US manufacturing firm ManCo, individuals who were sent for their unique expertise were typically those who operated at a more senior level. One manager, H5, indicated that this was because in addition to the skills that managers possessed, trust was also another factor in selecting individuals for such tasks. Such managers were typically those who had been with the company for a number of years and had shown themselves to be trustworthy. About this, H5 stated:

“You kind of don’t choose an assignment, it comes to you. You have to build up enough experienced pillars in certain domain, as well as people that trust you, and be performing well...When you don’t have an experienced pillar within certain teams or certain domain, you have to bring people that you trust that have been a long time in the company, that have done different assignments. I had certain seniority and this is how they trusted me to send me on an assignment”

- H5, Finance (HealthCo)

These ‘trusted’ managers were also expected to make sure that employees within the local context utilised the practices and procedures that they disseminated within HealthCo, in the way that MedCo meant for them to be undertaken. The above manager used the word ‘pillar’ to refer to managers who had been with the company for a long time and who were familiar with the MedCo processes, systems and values. Other AE managers also used this word to describe those who had built up a level of company expertise and trust within the firm. Within the previous case study firm (ManCo), interviewees referred to such individuals as ‘ambassadors’ for the company. About his streamlining role, H4 in life sciences explained that his assignment was also created out of the need to support and provide leadership for a changing business. He had stated that shifts in the MedCo’s global business was also among the primary reasons for his assignment. He explained why he was transferred to MedCo’s UK headquarters:

“The purpose was to create a better fun commercial operations group in this location covering the whole of Europe. To find efficiencies, from a more strategic point of view create a structure that’s scalable so that if we do acquisitions we would be able to slot them

into companies relatively easily.”

-H4, Life Sciences (HealthCo)

While control roles tended to be typical of more senior managers, H4 possessed significant expertise that made him ideal to provide expertise in commerce to his life sciences team within HealthCo. Again the inseparable link between this and the knowledge transfer function is highlighted in the above quote. In this organisation, he was a manager of a team of managers, some of whom included project managers and product marketers. He was also a member of a global team, of which 80% of the members were UK-based as stated previously.

AE managers' standardisation function operated in tandem with their knowledge-related roles, as such integration was made possible through the transfer of specific headquarter processes, and in some cases in merger of new and existing processes. What was important was to ensure that these were utilised accurately and adequately integrated with the objectives of the local office. To achieve coordination of global practices, AE managers' ability to translate headquarter knowledge to the local context was particularly important, as this process helped to ensure that MedCo's headquarter practices were operationalised in the way that they were intended. Where there was a lack of clarity locally, AE managers relayed information regarding the barriers to such uptake, or consulted with those at a local level in order to reach a suitable solution. When asked about how this was accomplished, H2 stated:

“I negotiate internally, and we at MedCo probably, I'm sure a lot of big companies, we spend a lot of time internally selling things. Meaning well [employees saying] 'I don't want to give up my little dinky system because...'. So you have to do a lot of internal pitch work and negotiation even with my peers... So I do a lot of best practice pulling those teams in.

– H2, Marketing (HealthCo)

This statement provided insight into how coordination was achieved practically at the individual level. H2 stated that within the UK context, such negotiation entailed explaining the rationale behind the new practices and systems being transferred so employees could identify with these and see how these might fit into the local organisational environment. Prior to her UK assignment,

she was a strategic marketing manager for HealthCo in the US, which was the same title that she assumed within the UK. With regard to her reporting structure, she was four position removed from the top of MedCo, and operated at a very senior level.

5.5.3.2. Socialisation of Local Managers:

Closely linked with AE managers' standardisation role was the socialisation of local managers into the 'MedCo' way of doing things. It was important that MedCo's subsidiaries around the world undertook their daily tasks in a way that was in line with the company's overall goals and values. Under the section on knowledge dissemination, one can see how the example provided by H2 (marketing), regarding the need to transfer a 'MedCo positive and risk-taking attitude', also reflected AE managers' attempts to transfer the MedCo culture in a practical way. As MedCo was recognised as innovator within its sector, it was important for workers had a pro-active attitude and be willing to undertake some risks in order to ensure progress. It was stated that this was a key part of the MedCo culture and way of doing things. Other managers spoke of how such cultural values bonded the firm and permeated their global operations. H5, who was assigned within the finance department, explained the 'MedCo culture' and how this influence the practices of MedCo employees in different locations:

"The fact that we are MedCo, even if we work in France we work in a certain way, if we are in England, and certain ways that are more MedCo coded ways. I think MedCo is one of the companies that have allot of cultural influence on its employees"

- H5, Finance (HealthCo)

These 'coded ways' included the way in which business activities were undertaken across the firm on a daily basis. This manager, however, also recognised the need for cultural sensitivity and acknowledged that in some instances communication styles and other mannerisms might be adjusted to suit the local context. It was found that managers whose primary assignment role was to facilitate functional coordination or cultural control, were in contact with MedCo's head office more than those managers who were sent primarily for other reasons. Another manager who commented on the need to instill the values of MedCo locally was H4 in Sales, who stated:

"Well we have a set of what we call growth values in MedCo and those values describe

behaviours that we expect to see in people working at MedCo. And those values are applicable to all roles in some way”

- H4, Sales (HealthCo)

These values could be found on MedCo’s company website, publications such as its annual reports, and other forms of media, and they were also espoused by AE managers when meeting with and managing their local teams. Moreover, as indicated previously, they were also demonstrated through the approach of these managers to their daily tasks, which acted to set an example for local employees. When asked about if they experienced any resistance locally as they sought to transfer various practices and values, most managers stated that this was less likely to occur as they typically dealt with executives who displayed a very high level of professionalism and open-mindedness.

5.6. Assignment Monitoring and Outcomes

As with the previous case study firm, interviewees were also asked about how international assignments contributed to MedCo’s strategic objectives, and what the key were or expected outcomes for various stakeholders, including the assignee, the subsidiary and the organisation. Regarding this, R1, the GMM, explained that international assignments were a necessary part of succession planning, as it opened opportunities for internal staff seeking to progress within the firm. International assignments contributed to the firm’s succession planning in two ways. Firstly, by transferring their specific expertise to those employees within the local subsidiary, these local individuals, like managers became equipped with key functional and technical skills that allowed them to fill more senior positions, hence expanding the firm’s internal talent pool. About this, H1 stated:

“Normally 5 years is the maximum we would want somebody to be working in another country before we have a local person in place. So the manager will look at what’s the succession plan, have you got that set up, and they’ll be looking at that each year until the final year obviously to have somebody in place”

- H1, GMM, HealthCo

H1 further explained that an added benefit of offering the positions internally, once skills were transferred, was that the existing employee would already possess significant knowledge of the firm, allowing for the job role to be operationalised much faster. This was particularly useful within the company's growth regions, for example Europe, Middle East and Africa, as indicated earlier in this chapter. In this way, future growth was facilitated within the specific region as expatriate managers provided an external perspective, key company insight, and significant expertise. With these attributes, they were able not only to implement company policies and procedures within new subsidiaries, but also identify local employees who were best suited to lead or grow with the business. Managers' presence within the local setting also aided in the development of the subsidiary's external environment, as managers also transferred their knowledge to external stakeholders (e.g. suppliers, local educational/vocational institutions). Within MedCo, this was particularly important in regions such as China, where the company sought to enhance the manufacturing capabilities within a particular region, in order to ensure that the machinery they sold could be produced at a more efficient cost. This outcome was described as an 'institutional benefit' by H1. At the time of interviewing, however, none of the AE managers were undertaking this process.

The second way in which AE managers contributed to succession planning was by preparing high-potential employees across the firm to take on higher leadership roles within the organisation, having gained a more international perspective of the company's operations while operating in ManCo. An example of this was provided:

"We have what they call leadership programme where young employees are taken on a 2-year programme to fast-track them and get them experience and then they are put into more senior roles after those two years"

- H1, GMM, HealthCo

This was previously indicated by H4, who explained why they were offered the position over individuals within the local setting. International assignments ensured that the company had a strong internal stream of managerial expertise which could be drawn upon, and deployed across different regions. It was not the intention that assignees would carry on these roles indefinitely, but

rather they could perform the role until skills were locally disseminated, or they became localised within that role pending a review of their performance. From a career perspective, other interviewees also commented that international assignments made them more marketable both within and outside of the firm. This was because having completed an international assignment indicated to interested stakeholders that managers could ‘hold their own’ within a foreign environment (See previous comments from H2 and H4 in Management Development section). For this reason, it was more likely than not that expatriate managers would be promoted upon completion of their assignment.

When managers were asked about how the attainment of their assignment objectives were measured, they stated that this was primarily through the company’s annual appraisal system, as well as AE managers’ informal meetings and or conversations with their immediate supervisors. As some assignees had moved to HealthCo to be closer to their supervisors, informal conversations typically took place on a weekly or day-to-day basis. One manager, H2 stated that a key indication that she had met her assignments would be her career progression when she returned to the US, although she also stated that this does not always occur immediately. Another manager, H4 used his experience within HealthCo as an example of how his assignment objectives were measured:

“I guess the proof is in the pudding. I am going to be based here permanently which means that when my expat assignment ends it doesn’t really end as an assignment, it just ends as an international assignment and it becomes a local assignment...My manager also has a global remit and he will base his opinion on the opinions of stakeholders and his own opinion. So he will be the only one assessing but he will take into account other viewpoints across the business.”

- H4, Sales, HealthCo

In addition to these career-enhancing visible outcomes, this manager also explained that the greatest outcomes occurred at an individual level through attaining a broader perspective on the firm’s global operations, particularly as it related to understanding how specific operations fit into the overall firm strategy. Managers were also asked about the extent to which they kept in contact with their home office or MedCo global head office in the US. All four of the AE managers

interviewed stated that their superiors were located within their current location, HealthCo, as this was the global headquarters for the particular business. H5, the HR manager, provided useful information about MedCo's reporting and headquarters structures;

"I am HR for a specific product division of MedCo, Healthcare, so there are five different product divisions. This particular business is headquartered here in the UK. The rest, well all but one are headquartered out of the US as a product division. Otherwise, [in] the US and MedCo, HealthCare is really the commercial sales and service team."

- H5, HRM, HealthCo

This structure was also confirmed by other interviewees, including H1, the GMM. While these business divisions were permitted to manage their daily affairs and set strategy as they deemed appropriate, they were still expected to apply policies and procedures from the global HQ within the parent country. However, this process was not managed by the companies' global HQ, but instead at the level of regional or divisional HQs. Nevertheless, while AE managers within HealthCo reported to superiors within this subsidiary, they still maintain some level of contact with the firm's global head office. H1 used two expatriate managers, the Head of Legal (not interviewed) and H5, the Head of HR, as examples of positions where there was frequent contact with the global HQ. About the former, she stated:

"We have a strong tie into the US head office of course so again everything he does will be tied to US processes. Obviously there's UK legal compliance as well so we have a UK legal team that would provide the specialist knowledge in the UK for him but he has global responsibility and he would have teams of country specialists for each area."

- H1, GMM, HealthCo

This was the reason for H5's assignment where the level of contact was also regulated by the nature of this role. Indeed, where assignees performed a global role, contact with MedCo's global headquarters tended to be more frequent. H2 in Marketing stated that this was also the case for her assignment, which required frequent contact with the US head office. About this, she stated:

"Well my most important employer in the US, I talk with him every day probably. As far as

my peers and maybe the CMOs [Chief Marketing Officers], the heads of different products, most of our products are still manufactured in the US so they are still very important from that perspective.”

- H2, Marketing, HealthCo

This manager made a distinction between this global office and the company's corporate headquarters. In the above quote, H2 refers to the US head office for the business HealthCo. However, she also stated that she spoke with the corporate headquarters for MedCo at least twice a month. H4, however, unlike his more senior counterparts, stated that within his current position, his contact with the US head office was less frequent. He commented:

“Yes, our business is part of MedCo's healthcare and MedCo healthcare's head office is still here and the corporate head offices are in the US. But that is quite a way off for us. We are organised by business units and we get 99% of what we need to get done in the business units”

- H4, Sales, HealthCo

Where contact was made with the US head office, this manager stated that this was usually related to career or leadership development. This manager was the only interviewee who maintained relatively little contact with the firm's divisional headquarters in the US. This might be related to the level of management at which he operated as the other three interviewed assignees operated at a very senior level.

5.7. Changes in Expatriate Use

Interviewees within HealthCo were also asked about what changes to expatriation they had observed during their time working in MedCo. As three out of four assignees interviewed were on their first international assignment, they stated that they were not in a position to comment on whether there had observed any major changes in the use of international assignments. One AE manager, however, commented on the reduction of international assignments available during his time with the firm. This was H4, who explained:

“This is a fairly rapidly evolving business and a quite successful business, and at some point we had more expatriate assignments. But recently business performance has been under a bit more, has faced a few more challenges. So I guess that changes the appetite for

funding expatriate assignments.”

- H3, Life Sciences (HealthCo)

With regard to the number of expatriates used, H1, the GMM, who had worked in global mobility for just over twenty years, stated that she had not noticed a reduction, but rather shift in how, where and what types of assignments were being used during her twenty years in this field. This interviewee stated that she had observed that there were more commuter assignments as it had become very easy for employees to travel across borders. From an administrative perspective, she explained that this required the development of a separate leadership policy around the needs of individuals on such assignments. About the longer-term international management assignments, H1 stated that there was an increased flow of expatriate managers within specific regions, and that this was directly related to business growth within these geographic areas. These areas included the Europe, Middle East and Africa (indicated in previous comments from H1), as well as China. Within the latter, because of significant growth in this area, there was an increased use of international management assignments within this country. There was currently a push to transfer the necessary skills and competences, not only within specific Chinese subsidiaries, but also within the subsidiary's external environment. The rationale behind this was explained:

“Because as we see our machines not being sold just in America but being shipped all over the world, particularly Asia and China specifically is a growth area for these scanning machines as they build more and more hospitals as these countries develop, we needed to have manufacturing in the country so that the shipping costs were brought down as well as the manufacturing costs.”

- H1, GMM, HealthCo

This strategy often over-lapped with the company's Corporate Social Responsibility mandate, and resulted in several international assignees being sent from US offices. H1, explained that this was a key means of accelerating the development of business with the specific country.

5.8. Summary:

This chapter has outlined the findings based on interview data collected within HealthCo, the UK-based subsidiary of the second major case study firm, MedCo. Similar to the US manufacturing

firm ManCo, MedCo assigned expatriate managers to the UK for the purposes of knowledge transfer, management development, and coordination and control. Within MedCo, it was found that the use of international management assignments was driven by the company's strategic goals of driving infrastructural leadership, and simplifying its organisational processes across the globe to better serve its customers. As a result, managers' knowledge transfer roles consisted primarily of the dissemination of specific functional and technical skills, as well as a MedCo headquarters perspective. Some managers were also transferred in order to facilitate better knowledge transfer and communication between various organisational stakeholders across the globe. In some cases, this involved co-location of senior managers and their immediate superiors. With regards to managers' management development role, only one middle-level manager indicated that this was a key part of his assignment mandates. Other managers interviewed indicated that they have indeed benefitted personally and professionally from the assignment, but admitted that this was less important within their current senior post. The middle-manager who indicated that this was one of his priorities, stated that this involved developing a more global perspective and leadership skills, and expanding his global professional network. This was achieved through the daily performance of his job role, interaction with local colleagues, and participation in formal leadership training programmes.

The third role, coordination and control, and one of the primary reasons for which those managers interviewed were transferred, involved the consolidation and or standardisation of local processes, along with the socialisation of local managers into the MedCo headquarter culture. These roles were particularly necessary because of acquisitions made within the UK by MedCo over the last few years. This was also linked to the firm's push for global simplification, as the senior expatriate managers within this firm were primarily concerned with the consolidation of local activities and the alignment of these with the mandates of MedCo's US headquarters. It was hoped that this process would reduce excessive duplication within the local subsidiary, and hence clearly communicate the objectives of the business, and where these fit into the company as a whole. Like the other expatriate roles, this role was closely linked to, and dependant on the transfer of knowledge to and from this location. Like the firm ManCo, it was also found that AE managers in HealthCo performed a mixture of these three roles at any given time, however with an emphasis on particular objectives depending on the needs of the organisation, the business and or individual.

The purposes of these assignments were fulfilled through several micro-level activities including daily interpersonal interaction with local employees, phone calls and tele-conferencing with colleagues in different units to coordinate global or regional activities, attendance at leadership or other networking events to expand connections, negotiating with local colleagues about the use of existing organisational systems, and articulating and translating global level policies to fit the local subsidiary context.

Several tangible and intangible outcomes of expatriate use within MedCo were identified, and included increased cultural awareness and understanding, better communication across units, succession planning, the fast tracking of global leadership in specific regions, and increased career advancement and opportunities for AE managers. These outcomes were measured both formally and informally, through daily interactions with superiors, formal meetings and reviews, and the use of a 360 performance appraisal. As HealthCo was the global HQ for MedCo's healthcare business, all of the managers interviewed reported within this UK-based office. It was also here that their performance appraisals were conducted. The extent to which they maintained contact with MedCo's global HQ in the US, was dependent on the nature of the job which they were engaged, although leadership development events were also organised through this office.

When asked about what changes had been observed in the use of expatriation during their time with the firm, only two of the five managers stated that they had observed any differences. While one manager stated that he had noticed a reduction in the amount of international assignments after 2009, the GMM in HealthCo stated that there was not a reduction but rather an expansion in the different types of assignments being used by the organisation. Particularly, an increase in the use of commuter assignments was observed and linked to development of transportation arrangements across countries. Finally, another observation made was the increasing flow of international managers for knowledge transfer purposes into less familiar regions as a result of increased economic growth in these areas. The following chapter will go on to examine findings from interviews conducted within the third case study firm, MonCo.

CHAPTER 6: MAJOR CASE STUDY 3: MONCO

In this chapter, the results from the third major case study, MonCo will be examined. As with the previous findings chapters, information will be offered about the history, nature and structure of this MNC. Following this, the reasons for using international management assignments as outlined by interviewees within MonCo's UK subsidiary, CoinCo, will be identified. Next, the way in which these roles are undertaken and how they benefit the organisation will be examined in some detail. Finally, respondents' comments regarding the extent to which the nature of expatriate use has changed during their time with the organisation will be outlined.

6.1. MonCo: Company Background

MonCo is a Spanish financial institution that currently has more than 10,000 branches operating in more than 40 countries across the globe. Its existence dates back to over a hundred years, and through the years it has expanded its global presence through a series of global acquisitions. After operating mainly in Spain for the majority of its existence, the bank opened its first regional office in the Americas, and this was closely followed by the opening of other offices within a number of South American countries, and in the UK. Today it currently serves over 100 million customers and employs almost 200,000 employees worldwide. It is among the largest banks in the Eurozone and the world. In terms of leadership, MonCo has been owned and run by the same family for more than fifty years. Several of these family members have also occupied seats on the executive board throughout this time.

MonCo as an organisation is divided into six business units, the majority of which are primarily focused on providing financial services, including insurance services and asset management. These businesses operate across ten global markets and are divided in four key geographical regions. These regions include Latin America, Continental Europe, the United Kingdom, and the US. The company also operates an autonomous subsidiary model, where units maintain autonomy over capital and liquidity. Alongside this, the bank stresses global efficiency and hence pursues a global approach to the management of its businesses. More specifically, while it characterises itself as an internationally structured firm, it maintains tight control in key areas, including the management of risk, which it sees as a key driver in its commercial banking model.

MonCo entered the UK market at the beginning of the twenty-first century, through the acquisition of several local building societies. In addition to its Latin American business, its UK arm makes up the largest market for MonCo's business. Currently, CoinCo, its UK arm, has over 300 branches nationwide and over 20,000 employees. With regards to services, it offers a range of personal financial services, as well as mortgages, savings, and corporate banking. CoinCo is aligned with MonCo's overall strategy, although integrated via separate management structures, systems and brands. This particular subsidiary is also MonCo's UK head office, and situation in the city of London.

6.2. Interviewees in CoinCo:

Similar to previous chapters, the below table outlines briefly, key characteristics of those CoinCo employees who agreed to be interviewed. Within the row for the HRD's characteristics, the number of years included under the length of assignments column indicates the average length of years that AE managers were sent on assignment within MonCo subsidiaries. Among the AE managers interviewed, the average length of employment within MonCo was eighteen years. The departments in which these managers were assigned included HR, Education, Properties and Finance.

Respondent	Department	LOE	LOA	Expatriate type	Previous assignments	Management level
C1	HRD	4.5 yrs	3-5yrs	HRD/GMM	N/A	High
C2	Finance	24yrs	2.4yrs	TCN	4	High
C3	Education	27yrs	6yrs	PCN	2	High
C4	HRM	9yrs	3.2yrs	PCN	1	High
C5	Properties	13yrs	2.5yrs	PCN	2	High

Table 11: CoinCo Profile of respondents. LOE=Length of employment, LOA= Length of assignment, ST=short-term, PC=parent country

Five interviews were conducted and included one HRD and four AE managers. Of the four managers interviewed, three were sent to CoinCo from MonCo's head office in Madrid, while one manager was a TCN who was sent from MonCo's New York office. After interviewing these five interviewees within CoinCo, it emerged that international assignments were used primarily to fill

a foreign language gap, to provide senior managers with experience and global perspective, and to maintain a window of communication and between head office and this UK subsidiary. The findings of these interviews will now be outlined in more detail.

6.3. Reasons for Using AE Managers:

The following table (table 10) outlines the main reasons for using international assignments as stated by interviewees. As with the two previous case studies, an initial interview was conducted with the GMM who was based in one of MonCo's headquarters in the UK.

Assignment Purposes	C1 (HRD)	C2 (Finance)	C3 (Education)	C4 (HRM)	C5 (IT)
Knowledge Purposes	*		*	*	
Management Development	*	*	*	*	*
Coordination and Control		*	*	*	*

Table 12: Reasons for using international management assignments in MonCo

C1, the HRD, stated that there were, at the time of interviewing, five hundred expatriates assigned globally, and thirty-five expatriate managers located across MonCo's UK offices. He also described these as 'pure' expatriate assignments, which meant that they were sent under specific contracts that indicated that they remained employees of the Madrid headquarters. He made this distinction because some assigned managers were still considered expatriates although they were sent from the Spanish headquarters on expatriate assignments but were locally employed by MonCo's UK head office. Both long-term and short-term expatriate assignments were used by ManCo but the majority of the managers that were assigned within the UK were sent typically for a period between three to five years. When asked what was the primary reason for using expatriate managers within the UK, interviewees indicated that it was for a number of knowledge-related, management development, and coordination and control purposes. What these roles involved will be examined in the following section.

6.4. Assignment Mandates and Role Processes

The following table provides a snap-shot of the objectives of AE managers' roles within MonCo

and their UK subsidiary CoinCo. Also, some of the activities that manager engaged in to fulfil their assignment purposes are outlined in the second column. With regard to the three roles identified above, these involved several sub-functions.

Role Mandates	Assignment Role Processes	Managers involved
Develop Language Skills	Daily interaction with local employees; participation in formal language training	C1, C2, C4
Language Translation	Act as an interpreter during telephone conversations between employees at the local subsidiary and those in the home office	C1, C2, C4
HQ perspective/ values	Daily interaction with employees; overt demonstration of values while performing job tasks; testing employees via trial and error approach; communication of values in meetings	C2, C3, C5
Transfer HQ systems	Daily interaction with local employees and other stakeholders in local environment; installation of management financial systems and softwares	C2, C5
develop skills/ global experience	Attendance at internally organised leadership events within MedCo	C2, C3, C5
Gain local knowledge	Daily interaction with external and internal stakeholders	C3, C5
Develop international leadership network	Provide access to resources from home office; interact with local staff and stakeholders	C4
Increase communication channels/networks	Communicate global initiatives to local employees (meetings); linking organisational units (electronic communication, formal introductions)	C3, C4
Coordination of global activities, Elimination of duplication	Negotiation with local employees; demonstration of expected behaviours/values	C2, C4, C5
Socialisation of local employees	Firefighting and negotiating with resistant members; daily interaction and	C3, C5

	demonstration of values; organised meetings and workshops	
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Table 13: AE managers' role mandates and processes in MonCo

When asked about what the primary reason was for sending managers to the UK, C1, the HRD, stated that it was for language purposes. Along with this, AE managers were also involved in the transfer of key expertise and values, the coordination and standardisation of specific local processes, development of future leaders, the enhancement communication channels between global locations, and the socialisation of local managers into the MonCo company culture. These objectives will now be further explained in the below sections.

6.4.1. AE Managers and knowledge transfer

With regards to knowledge transfer in CoinCo, this occurred in both directions, that is to and from the subsidiary, and was undertaken with different objectives in mind. When asked about the primary reason for utilising international management assignments within the UK, the HRD at Coinco made it clear that this was for language purposes. This was in order to facilitate better transactions between MonCo and its clients within the UK setting. In other cases, managers were assigned to this location in order to transfer key organisation systems and processes, and to disseminate their functional and business expertise within CoinCo. These will now be further discussed, with highlighted examples in the following sections.

6.5.1.1. Language translation and knowledge facilitation:

As MonCo was a Spanish company, with one of its significant business markets in the Latin American region, many of its clients around the world were from Spanish and Portuguese origin. C1, the HRD based in one of MonCo's UK head offices, and who had the mandate for the assignment of managers to the UK, stated that because of a lack of foreign language skills among its UK employees, it was important to assign managers who could communicate with foreign clients. When asked about the main purpose for using such assignments, he said:

“Primarily language. One of the barriers that we have for people in the UK is that generally we're not particularly good at languages. So a lot of our businesses operate in

Spanish or Portuguese and we don't have a lot of Spanish and Portuguese speakers. So we've got some who go abroad, in fact I've got two people in the HR department"

- C1, HRD, CoinCo

Other interviewees agreed with this, stating that while they were involved in other knowledge-related roles, one of their key priorities was ensuring that clear and accurate communication was possible, not only between the head office and the UK subsidiary (addressed further in the chapter), but also between the MonCo and its global clientele. One of the managers to whom C1 referred, who was assigned to CoinCo's HR department, was C4. When asked about the purpose for her assignment she stated:

"So we don't have many people here that speak Spanish and then probably the level of English that that person has in Spain is not so good to maintain a specific conversation so I will try to solve any kind of gap that we could have."

- C4, HRM (CoinCo)

C4 also explained that this role was both inward and outward facing. In addition to bridging the gap between MonCo and its clientele, she also helped to communicate or interpret policies and enhance communication internally as well. This involved, on many occasions, acting as a translator for employees within CoinCo and those who were based within MonCo's headquarters in Madrid. Within this UK facility, she worked closely with, C1, the HRD, in order to facilitate communicate between him and the Madrid office. She provided an example of this:

"So for example if there is any issue in one of the divisions between the UK and Spain, like risk or audit or finance, normally the HR Director of that division in Spain, normally calls me because we sometimes have a gap with the language"

- C4, HRM (CoinCo)

Above, C4 also highlighted the fact that her translation activities at time extended beyond the HRM department within CoinCo, as she was often called upon to translate for other employees in various departments in this subsidiary. Another manager, C2, who was based within the Finance department, also stated that language translation was a key part of his role in CoinCo. His unique

history with MonCo also indicated that the expatriate translation function also occurred within Madrid home office, with managers being assigned to that location primarily because of their multi-lingual skills. C2, who was originally from England, explained that he had been with the bank for 24 years and was based in the UK for three years before being assigned to Madrid, where he became a local. He explained:

“When I joined the bank I started to learn Spanish and I think they just took note, some people in Madrid came over to visit London and were looking to build up the credit unit in Madrid, and for someone who is English speaking...so I guess I was a candidate and they offered me the job and off I went.”

- C2, Finance (CoinCo)

Twenty years on, the need for AE managers within MonCo who are bi-lingual remained a top priority. After working in the Madrid office for ten years, and then being assigned and localised within MonCo’s US headquarters for 12 years, this manager was sent back to the UK as an expatriate, following the establishment of MonCo’s UK presence. Regarding his main expatriate role, C4 indicated that this was more for control purposes, however, reiterated that his language skills helped to facilitate other expatriate roles. In addition to C2 and C4, C3, who based in MonCo education department also stated that his language skills were a key reason for him being chosen for his particular assignment within CoinCo. He stated:

“For this role it was someone working 7 years with LatAm someone who could speak languages and understand the local culture”

- C3, Education (CoinCo)

This manager’s ability to speak several languages was particularly important as his roles brought him into contact with several internal and external stakeholders on a daily basis. This was because of the nature of his local position, which required him to pursue business partnerships with local institutions. The knowledge translation role that the above managers described was also essential to maintaining organisation control, and hence will be discussed further in section 6.5.3. Another key knowledge-related function that managers performed was the dissemination of key organisational knowledge to the local environment, which will be expanded upon below.

6.5.1.2. Knowledge Dissemination

With regards to the dissemination of knowledge within CoinCo, two of the AE managers interviewed stated that this was one of the primary reasons for their role within the UK. While one of these managers, C3, was based within MonCo's education department, the other manager, C5, was assigned within CoinCo's technology department. The first manager, C3, indicated that he had been assigned to the UK because of the level of entrepreneurial expertise that he possessed, and his extensive experience setting up new business initiatives within MonCo. He stated:

"It's about bringing the best practices from our country...I'm very good at starting new areas and developing them and then passing them to someone else. I was sent specifically to start the UK arm of this business"

- C3, Education (CoinCo)

This particular interviewee had been within this location for more than five years and was responsible for spear-heading MonCo's educational initiatives within the UK context. While such initiatives were undertaken in other countries within which the bank operated, no such operations existed in the UK arm of the business before his assignment. As this manager was responsible for setting up similar initiatives across other MonCo subsidiaries, he was deemed the most experienced and suitable person for this role. In addition to bringing this particular functional expertise, he also sought to transfer softer managerial skills within the UK context.

The second manager, C5, had been assigned within CoinCo's Properties division, in order to set up key processes across the company's IT platforms in the UK. This was necessary as MonCo's UK operations had grown significantly over the past ten years, as a result of several mergers and acquisitions. C5 possessed expertise in the area of IT infrastructure and networks, and was chosen for this particular role because of his ability to set up and integrate specific firm IT structures and platforms. When asked about his role within CoinCo, he stated:

"The role is process change management. Basically supporting the IT development by defining what needs to be built then implementing and limiting the impact so change management. I am also in charge of the property function in the UK"

- C5, IT, CoinCo

This interviewee went on to explain that once key processes were set up, he transferred his knowledge of how these were to be used to his UK colleagues. He stated, however, that this was not done formally but rather on an on-going basis as he performed his role alongside local employees. About this he stated:

“You get into situations where you have to replicate a product that you did in Spain. You teach through the evolution and development of the project so there are no formal sessions organised. You have to do the governance and progress, and whatever decision that needs to be made, you are supported by your previous experience.”

- C5, Properties (CoinCo)

C5's comments are in line with comments made by AE managers in the previous major case firms, who stated that the majority of knowledge transfer tended to occur in an informal setting, through the performance of daily job-related activities. This occurred both in a group setting and with individual employees. In addition to knowledge dissemination, interviewees also indicated knowledge acquisition occurred through their UK assignment, as will be discussed further below.

6.5.1.3. Knowledge Acquisition:

Of the AE managers interviewed within CoinCo, none indicated that the acquisition of knowledge was a key part of their UK assignment. However, some managers stated that although not being stipulated within their objectives, learning still occurred through the daily performance of their role. They referred to specific tacit knowledge about the local work context, which they attained while carrying out their daily job tasks. One manager, C5 in IT, explained that it was more about coming to grips with how the bank worked within a different context. About this he stated:

“By replicating the same function here as in Madrid it has helped me to understand a completely different bank and completely different situation.”

- C5, Properties (CoinCo)

This manager emphasized the importance of this new knowledge, revealing that he was used to working in much larger, older and more established banks and units within the business, and that this was primarily in Madrid. Through his UK assignment, he was able to broaden his skills set by designing internal infrastructure for the firm's relatively young UK operations, and consolidating

different business systems. This allowed him to better understand what processes were best suited for operations at different developmental stages and organisational scales. Another manager, C3 in Education, explained that the knowledge gained was more to do with differences between the working approaches of UK employees and his colleagues in Madrid. He provided an example from his experience on the current assignment to clarify:

“In the UK timing is always an issue and agenda etc. so we need to learn from the UK that discipline. In Spain people more adapt to changing situations. In Lisbon it's closer to the UK but that's historical as in the past”

- C3, Education, CoinCo

Indeed, C3 stated that he had noticed that his UK colleagues typically scheduled meetings weeks or months in advance, and tended not to stray from the set agenda. He explained that this was not common in Spanish culture, where scheduled agendas constantly changed. In saying this, however, he iterated that there were benefits to be gained from both working approaches. He provided another example of tacit knowledge gained from interaction with external colleagues while on assignment in the UK:

“The way they keep relationships with each other is good is the way we can keep relationships with our shareholders. Example the way they keep relationship with their university alma mater.”

- C3, Education, CoinCo

This interviewee went on to explain that, from his experience, this type of close and reciprocal relationship between MNCs and local educational institutions was not something that was common within the Spanish working context. He believed that this knowledge would be beneficial moving forward in pursuing further external partnerships upon returning to Madrid, as it could result in better relationships between the bank's internal and external stakeholders. The following section will move on to outline assignees' management development function.

6.4.2. Management Development

International management assignments were also used to develop top-tier talent within MonCo and the HRD interviewed highlighted various systems put in place to achieve this through expatriation. However, of the four managers interviewed, only one indicated that this was a key part of their assignment objectives within CoinCo. With regards to management development within MonCo, formal programmes were often utilised to support short-term or less experienced international assignees. For those at a more senior level, in addition to in-formal development through daily local interactions, there were also highly developed formal management training systems, and mentors available to support their developmental experiences. When asked about the management development processes for AE managers, C1 the HRD, explained that managerial assignments were typically reserved for those at a very senior level within MonCo. He also identified the grading categories that managers within MonCo fell into:

“We run a grading which basically goes S1, S2, S3, S4, S5, Dir Red, Top Red and Top Red being the most senior, S1 being the most junior. For the Dir Red and Top Red roles, which tend to be the ones where you get expatriate appointments... It’s Spanish, red in Spanish means network. So it’s the Director Network and the Top Network is probably how it translates”

- C1, HRD (CoinCo)

C1 went on explain that those managers who fell into the ‘DirRed’ and ‘Top Red’ categories were typically sent on assignment for a period for three or more years. He also differentiated between what MonCo considered to be ‘expatriate programmes’ and ‘management development’ programmes. Those who operated at the more senior level would typically sent on the expatriate assignments, and these were typically for more strategic purposes outside development. With regard to the ‘management development’ programmes, these were typically used for younger staff and involved working in an overseas location for a very limited space of time. C1 gave an example of one such programme:

“The second programme is called [programme name] and that’s actually a 4-month programme where someone would go abroad and work in another country for usually 4 months, it could be 3 months but it’s usually 4. The intention is they don’t come back to the

home country in the meantime, they're out there. It tends to be younger people, it tends to be people without families who will go and do that."

- C1, HRD (CoinCo)

While C1 explained that these various programmes were at the disposal of its employees, many of the AE managers interviewed within CoinCo indicated that they were often left to determine the courses of their own individual careers, and that they developed and sharpened their managerial skills mainly through an action learning approach. While they were identified as high potentials through the previously outlined DirRed and TopRed, they stated that how their leadership or management skills developed from there was up to the assigned individual. Such skills were gained alongside fulfilling other assignment purposes. Some assignees stated that informative and useful experience was gained in the performance of their daily job-related activities. With regards to more formal training, some managers indicated that several training courses were offered in the Madrid office, but that these were not restricted to expatriates. Hence, it was up to these managers to decide if they wanted to pursue these. Some managers expressed a need for further developmental support for international assignees. One was C2 in Finance who commented:

"We are not very good at management development; we expect people to sort out their own common management development programme."

- C2, Finance (CoinCo)

These comments were verified by other AE managers interviewed, including C4, who explained that there was no formal process to track or support the development of expatriate managers or the knowledge gained while on assignment. Another AE manager, C5 in Properties, expressed similar sentiments. When asked about developmental support and monitoring when on assignment, he stated:

"Nope no mentor. Two areas for improvement here. There is no close mentoring or supervision. We don't need babysitting but perhaps a closer tracking [after] landing or settling down should be given more attention."

- C5, IT, CoinCo

A similar view was also expressed by C3 who explained that he too was left to chart his own development and seek after such opportunities on his own. These interviewees explained that where AE managers sought to develop their own managerial skills, this was often in terms of

developing their verbal networks, gaining a more global perspective, and developing their career trajectory. In saying this, however, some interviewees, for example C2, acknowledged that the company was currently aware of this and that the HR function was making efforts to improve in this area. More about how expatriates were developed through their assignments will be discussed below.

6.5.2.1. Developing a Global Perspective

Little information was gained on the use of international assignments for developing a global experience. This was largely because the managers who were interviewed occupied very senior roles within the company. The majority of these assignees had already been on several international assignments throughout their lengthy careers, and stressed that they were assigned to the UK more for knowledge-related and or control purposes. The fact that managers who were assigned operated at a very senior level might help to explain the limited formal development and support they received while on this assignment, as indicated previously. Nonetheless, two of the AE managers provided a bit of insight into how being assigned to a foreign location was useful for such development. One of the AE managers, who was with the organisation for less than ten years, stated that this was her first assignment, and that such assignments were desired to gain a more international view of the company. This manager was C4, who, similar to other managers indicated that this was not the primary purpose of her assignment. Nonetheless, given her limited experience working outside of the Madrid headquarters at the time of assignment, she believed that having this experience could aid in further career development and progression. About this, she commented:

“I always thought that I would like to have an international experience, and I thought it was going to be nice for my personal and professional development... So if I think that this has been a development for me, yes, definitely, but I didn’t have it on a formal development plan. It was something that I discussed with my line manager at the time.”

- C4, HRM (CoinCo)

In addition to C4, another interviewee agreed that these expatriate assignments were arranged with the intention of providing MonCo employees with an opportunity to be immersed in and experience other cultures around the world. C1, the HRD, who helped organised assignments to

and from CoinCo explained:

“I think in terms of contribution it’s broadening their experience, it’s giving them different ways of doing things, it’s understanding how different countries operate, and it’s really just part of that career development piece.”

- C1, HRD (CoinCo)

He went on to state that those within MonCo who were identified for such assignments were typically higher performers and tended to be managed a bit more closely by the group. These managers were identified as either a DirRed or Top Red. The second manager who commented on the global experience gained was C5 in Properties, who was at the time completing his second international assignment during his time with the company. He explained that his current role was the same as his previous role within the Madrid office, but explained that the completely contrasting context provided an opportunity to gain experience of different cultural and organisational circumstances. About his current experience, he stated:

“It is an important culture change, a different way of doing things and also the barrier of the communication so it’s a massive learning process, where initially I would have thought that I am just replicating the same function from Spain”

- C5, Properties (CoinCo)

This manager explained that the difference in maturity levels of the two banks also contributed to his management development. He stated that while the MonCo bank within Spain was very mature and had been present for over 150 years, the UK headquarters CoinCo was in comparison relatively young, having been formed out of several acquisitions only seven years previous. As a result of this, he observed that this also meant that in addition to being exposed to a different national culture, he was also exposed to different organisational cultures, and ways of doing things.

6.5.2.2. Developing Global Communications Network

Some of the managers interviewed stated that international assignments were also a way of getting to know individuals from across various units that they might not have otherwise encountered. In addition to meeting individuals within the local context, such networking was also facilitated

through specific internal training courses. At particular times in the year, there were several management development courses within MonCo's Madrid headquarters that all managers, expatriate or otherwise, were encouraged to access. These courses providing instruction on both functional areas such as specific software use or marketing techniques, and also on softer skills such as networking. One manager, C3, stated that he had undertaken some of these courses, and that they were restricted to senior managers. He stated that he was soon travelling to Madrid for this purpose:

“So you go there you do a course and maybe a week and you meet people from different countries, from HQ and you get to see into different culture so every year every senior employee has to spend two or three weeks of training in HQ where he meets with other peoples. It varies a lot, the training could be marketing techniques, it could be just networking it could be new technology development”

- C3, Education (CoinCo)

As indicated by the above statement, such courses were also another way of gaining exposure to employees from various national and cultural backgrounds, which helped to further develop managers' global perspective alongside the occurrence of the assignment. However, though such courses were available, they were not affiliated with MonCo's global mobility programme, but used company-wide. It also seemed that some managers were unaware of developmental support available to expatriate managers within the firm. These managers indicated that development instead occurred through action learning, this being the daily fulfilment of their assignment. C5, in Properties stated:

“There wasn't specifically any formal training except the evolution and the maturity you get through the management of a team, being in a completely different environment with a completely different culture, the experience is the key lever to boost your maturity in your professional career.”

- C5, Properties (CoinCo)

Although C5 was not able to identify formal development systems, he highlighted some of the informal benefits of having undertaken an international assignment. He indicated that the contacts

that he made while on assignment within CoinCo were invaluable and capable of producing future opportunities. About this, he stated:

“The amount of people you get to know is much broader than if you stayed within your own country. As part of specific projects, I am sure that there are bottle-necks that are rectified as a result of knowing the right people.”

- C5, Finance (CoinCo)

Other managers agreed, indicating that international assignments provided the opportunity to interact with employees across the company that they would otherwise have never encountered. The above-mentioned interviewees explained that the contacts that AE managers made while on assignment would continue to be useful long after their assignment was finished. The following section will move on to outline AE managers’ coordination and control function within CoinCo.

6.4.3. Coordination and Control

In addition to their knowledge-related roles and their management development, AE managers within CoinCo were also sent to this UK location for purposes of coordination and control. It was stressed by more than one of the AE managers interviewed that control was among the key priorities when it came to the use of international management assignments. Several reasons for this was stated by interviewees, and included the family background of the company, its hierarchical structure, the paternalistic approach to managing Spanish firms. With regard to the first reason identified, C2 in Finance, who was a TopRed manager, elaborated a bit further:

“It’s still a very tightly controlled bank, it’s public but the [owning] family have a great deal of control so the Chairman is [name] and the chief executive here is [Owner]. So I think there is something about coming from that family controlled environment where they treat risk very seriously, it’s their own money essentially and so they are very focused on risk.”

- C2, Finance (CoinCo)

Such comments point towards a possible institutional influence, with regard to the impact of family ownership structures on management in Spanish MNCs. C2 also commented on an ‘inner circle’

within the Madrid headquarters, where key decisions were taken, and that was difficult to penetrate unless managers were of parent-country origin. His comments on this were:

“There is a core group of people in Madrid, the voting family, but around them there is a group of advisors, senior managers who have been there 30 years or more...Most of the really senior executives in Madrid are all in their late sixties and seventies, so that’s a different world and it’s still very Spanish. That will probably change over time because of the size of the bank we are. But unless you are actually Spanish it’s rare, not that it never happens, but it’s rare that you can get within that inner circle.”

- C2, Finance (CoinCo)

While it was explained that such tight control was key to MonCo’s successful global performance, one manager indicated that there might be a drawback to this. This was C5 in Properties, who stated:

“In MonCo we currently have a model of assignments that is from HQ to abroad instead of a more complete scheme to and from other countries. It’s too head-office centric. We’re missing out good opportunities to get the best practices from other divisions.”

- C5, Properties (CoinCo)

Indeed, other managers including the C1, the HRD, confirmed that overall policies and procedures, including in the organisation of international management assignments were typically set by the Madrid headquarters, and were then cascaded down throughout the rest of the firm. C1 also indicated, however, that with regard to international assignments, some flexibility was allowed. He also believed that such tight control reflected a ‘Spanish’ approach to organisation. About this, he stated:

“In Spain it’s still quite hierarchical so if you want an answer you’d go to the person who reports to you and then they go to the person who reports to them and then it would go back up the chain.”

- C1, HRD (CoinCo)

C1 went on to explain that it was because of the need for such tight control by the global HQ that many expatriate managers from the Madrid office were assigned within this UK-based office.

Through the use of AE managers, control was implemented across the firm in two key ways. Firstly, managers were typically sent to oversee processes in specific functions in order to ensure consistency and integrity. Secondly, managers were sent to address instances of resistance at a local level. These two types of control will now be discussed further in the below sections.

6.5.3.1. Standardisation and Internal Consistency:

Of the five managers interviewed within MonCo, two of these indicated that the key reason for their transfer was to ensure control through internal consistency of specific functional processes. C2, who was the chief risk officer based in the financial department in CoinCo, explained his primary role was to make sure that those within the local UK financial department were undertaking processes related to risk-assessment in a way that was in line with what was expected by the Madrid head office. He stated:

“The job is to make sure that the board has got a risk appetite in place which is properly defined and properly approved, and to make sure that risk appetite is being executed properly throughout the bank.”

- C2, Finance (CoinCo)

C2 stressed that MonCo was very specific when it came to the management of risk within the organisation as this was key to the organisation's successful financial performance. In addition to this, CoinCo was a particularly important subsidiary within the firm as it accounted for twenty percent of the revenue within the MonCo group. As a result, it was important that the risk strategy was closely aligned with the overall strategic objectives of the group. C2 went on to explain that, as a result of the importance of this function, it was typical of MonCo to send AE managers to work within the financial departments of their overseas offices.

“MonCo has its own risk style, its own risk culture. And when we buy banks what we tend to do is the first thing is put in our own risk people and our own audit people to make sure we have proper control, control in the MonCo style.”

-C2, Finance (CoinCo)

When asked about what this involved on a daily basis, C2 went on to explain some of his daily

activities:

“On a daily basis that means the team I have got now is actually quite a small team, it’s about 25 people...The core of the job would be to look at particular risks that we see emerging and investigate them in depth and report the findings to what we call the risk oversight committee and then the board risk committee, and if necessary to the board. So if you were talking about what happens day to day I will have generally meetings each day with one member of the team who will go through what risks they are concerned about.

- C2, Finance (CoinCo)

Based on the activities above, the AE manager, along with his team, would prepare the results of their observations for several local and global committees, including the executive finance committee and MonCo’s global executive board. In addition to C2, there was another manager, C4, who was based in the HR department, explained that she was also transferred in order to facilitate closer alignment of CoinCo’s HR activities with those in the Madrid headquarters. She was deputy to C1, the HRD in CoinCo, and assisted with the presentation of information to the Madrid office. She provided an example, alluding to her involvement with the annual performance management process. About her role, she said:

“[C1] goes every two months, more or less to the HR global committee and he needs to present an update of the UK as a country as well as the HR activity. So normally I am responsible for helping him to prepare the presentations, see what kinds of topics we want to bring in, how we can present the information in the way that is more aligned to the corporate process or policies or what they are doing with the group so they can see that we’re fully aligned”

- C4, HRM (CoinCo)

This example helps to provide insight into how direct control was achieved through the use of expatriate assignments. The guidelines and internal regulations that govern HRM practices within MonCo were all developed by the corporate headquarters in Spain. In her role, C4’s presence within CoinCo facilitated direct interaction and implementation of key global organisational processes within CoinCo. Furthermore, where there was a lack of clarity regarding how specific

processes were meant to undertaken, direction or information regarding the intentions of MonCo's global headquarters could be provided almost immediately. In other cases, it was necessary to attend meetings in Spain or via conference calls to discuss the progress of MonCo's corporate objectives and how these could be achieved within the UK. This also involved ensuring that the corporate guidelines or processes were suitably adapted, where possible, to accommodate the local reality. C4 explained what her daily activities might consist of, stating that the kind of activities depended on the time of year and the particular project that she was working on. She provided an example of one of her cross-border projects:

“Right now for example in Spain there has been a merger between two banks that were part of the same group but they are going to be just one. So Spain right now is working on a specific international project trying to reallocate people in other countries because they have a lot of duplications in terms of roles. So right now my main focus is trying to help in that project and be the key contact in the UK to try to facilitate the transfer of employees.

- C4, HRM, CoinCo

In addition to C4, C5 also indicated that his role was partially because of on-going mergers within MonCo. This manager had been assigned within CoinCo's Properties department, and stated that his role was to facilitate development and change management within the local IT department in order to bring it more in line with those IT systems being used across MonCo. He stated:

“[It's about] supporting the IT development by defining what needs to be built then implementing and limiting the impact so change management. The UK bank is very young and a result of acquisitions so a massive transformation needs to be done to make it similar to Spain. You need to explain to the locals and demonstrate that the model works.

- C5, Properties (CoinCo)

This transformation involved the setting up of physical IT infrastructure to accommodate the migration of over five thousand employees, several hundred clients and various small to medium-sized enterprises inherited from the acquisition of three UK businesses. Such infrastructure would allow for these businesses to be integrated and absorbed into CoinCo. Once again, based on interviewees' comments, it becomes difficult to separate AE managers' knowledge-related

functions from the coordination and control function. In order to ensure consistency in global locations it was important to send expatriates who possessed not only significant expertise in their functional area but also in-depth knowledge and understanding of company policies in order to ensure that company processes were interpreted and implemented in the manner intended by global headquarters. This manager had been with the company for thirteen years and had a proven track record in business transformation.

Regarding the transformation process, C5 also stated that he was given a very clear model and strategy by MonCo's headquarters in Madrid. As a result, he was in constant contact with this Spanish office. He explained that weekly contact was required in order to implement the specific model, while monthly meetings were used to provide Madrid with a general update. The extent to which C5 was successful in this role would be assessed by the global mobility team and the HRM team based in this same office in Madrid. He made it clear, however, that while his functional head was based in Madrid, his immediate boss was based within CoinCo as well.

AE managers were also sent to create networks between the firm and its external stakeholders within the UK. One manager who was sent primarily for this purpose, was C3, who had been assigned to spear-head the firm's educational and social initiatives. About his mandate, he stated:

“We had an agreement with unis in other countries but there was nothing here but then we bought [UK bank] and I literally started over there on that table with a white piece of table. This was a global initiative that I was doing based in Madrid for 7 years”

- C3, Education, CoinCo

This interviewee further elaborated on this particular mandate, stating that it was not only important to build networks across different organisational units, but between the organisation and the community in which it operated. Hence, he was expected to create partnerships with key institution and figures within the local setting as this would not only increase organisational visibility, but also the firm's access to information and local resources.

6.5.3.2. Addressing Local Resistance

It is also worth mentioning that AE managers within MonCo were also used to address conflict

and resistance to head office practices within the local environment. One manager indicated that this was among the reasons that he was sent to CoinCo following the series of mergers and acquisitions that created the local business. This was C2 in Finance, who explained that the company had faced some specific behavioural problems from local staff following the formation of CoinCo. About this, he stated:

“Yes there was allot initially and we had to let some people go, some people chose to move on. There was allot of early resistance to bringing that [MonCo] approach to London so yeah it was very complicated in the beginning”

- C2, Finance, CoinCo

When asked about the nature of the problems, this manager explained that there were employees who had worked within the previously acquired local business and were hence used to a different organisational approach and management style. He stated that there were also noticeably different cultural mechanisms within the organisation originating in Spain that posed a problem at a local. An example of this was provided:

“Working patterns that the Spaniards generally equate being the office long hours as working hard and there is a pattern of showing up and demonstrating to your boss that you're committed by being in the office for 13 hours a day. Now that's got a limited life span in a culture like this where people have got long commutes and different patterns and expectations about their working life.”

-C2, Finance, CoinCo

This was also an observation made by other assignees interviewed, some of whom admitted that leaving the office at 5pm was initially perceived as a lack of commitment to the firm (e.g.C3, Education). C2 explained that although managers acknowledged and valued the differences in work approaches between the UK and Spain, an overt display of commitment levels was something that was greatly valued within MonCo in Madrid. Hence, although there was some lee-way for compromise, local employees were expected to accommodate new approaches. With regard to getting on board with new organisational practices in general, where some of these individuals were unwilling to cooperate or adapt to the new situation, this was having a negative impact on

working relationships and processes. Where individuals did buy into the ‘MonCo way’, C3 explained what part he played in making this happen. About this he stated:

“Well we tried persuasion. We tried to explain why we thought that the group approach was better or at least as good and we tried to help people understand that they are part of a much larger international group now and that it was going to be necessary to change the way that some things are done and to accept some of the new international norms that the bank had. So it got to a point that we had to say 'If you're not convinced by these arguments and you're uncomfortable with the way that we're taking then you really need to move on and some people did and some people didn't”

- C2, Finance, CoinCo

The above process of persuasion is similar to the process of internal negotiation that was described by AE managers in previous case study firms, where local employees needed to be convinced of the merit of the new operational approach. C2 emphasized, however, that the example of non-compliant managers being let go was in an extreme case scenario, where all other options had failed. He went on to explain that this process of negotiation occurred both formally and informally. About the formal process, this involved organising a meeting with key agitators in order to address troubling issues and sources of tension. Within such meetings, employees were asked too overtly indicated their commitment to the project once all parties had agreed. The following section will move on to elaborate on the extent to which this and other assignment objectives were monitored and achieved.

6.5. Assignment Outcomes and Monitoring

When interviewees were asked about how their assignment contributed within the organisation, they listed several benefits and expected outcomes, including increased knowledge of organisational best practices (BPs), better quality of communication with external and internal stakeholders, a more unified company culture, increased company visibility, and increased external and internal networks. Where it came to increasing networks and communication with external stakeholders in the local environment, the outcomes of C3’s five years within this global subsidiary were evident. This manager had previously indicated that there were little to no educational linkages and partnerships prior to his UK assignment. However, since his time here, educational

partnership agreements were created with over seventy UK universities, and the bank's presence across campuses had also increased significantly. He provided an example of the type of external relationships and presence created while on this UK assignment:

“The Minister of Education and myself on go trade missions with other businesses. We have become a reference among universities. We also get involved in loans for students.”

- C3, Education, CoinCo

Indeed, secondary documentation gained from universities and the company's website confirmed not only the company's increased educational presence over the five years that this manager had been based in CoinCo, but also the role that he played in achieving this feat. This manager's external relationship-building initiatives were comparable to R5, the financial comptroller in ManCo, who also liaised with several key local figures for similar purposes. Another outcome of building external networks mentioned by other interviewees was a better quality of communication. With regard to this, the HRD within CoinCo, C1, provided an example to illustrate its value and expatriates' role within MonCo:

“Our primary language is English within the bank. And particularly banking is a very regulated industry now, if they're going to have roles which will bring them in contact with the regulators on a frequent basis then we are very keen that they speak English properly so that we don't have any misunderstandings.

- C1, HRM, CoinCo

Where there was a lack of local employees who spoke English, the use of AE managers within CoinCo ensured that the bank's procedures, originating in the Spanish headquarters, were being communicated appropriately at a local level. It was also important that local employees understood what was expected of them from the global headquarters, and hence having AE managers to act as intermediaries ensured that global mandates were performed in the way that they were intended. C1 also noted that the translation of culture was also important to facilitate better working experiences and relationships across borders. He hailed increased cultural diversity across the organisations as one of the key contributions of international assignments. About this, he stated:

“Sometimes I have to explain that things that perhaps they might do in their home country

might not go down too well in the UK because there's sometimes a cultural divide. But equally that diversity of view coming from different cultures, different experiences, different ways of looking at customer solutions for example, is usually beneficial to us."

- C1, HRD, CoinCo

A deeper understanding the cultural values within the firm's home country environment helped to close this cultural divide, as employees came to understand varying assumptions and values, and respond accordingly. With regard to whether or how the achievement of assignment objectives was monitored, managers indicated that in addition to their bi-annual performance appraisal, more intangible outcomes, as mentioned in the above paragraphs were observed as time passed through increased and improved communication and performance of organisational tasks. C1 stated that the bi-annual appraisal provided AE managers with an opportunity to identify any problems personal or otherwise that they might be experiencing while on assignment. He stated:

"We review the role and the performance on a regular basis, not just at the beginning and end. So we'll review at 6 monthly periods how people are doing, whether they're doing the right things in the job."

- C1, HRD, CoinCo

As the majority of the managers operated at a very senior level, many of them were assessed by a superior within the Madrid headquarters. Where managers were undertaking a global role, then they typically were assessed by a manager within both locations. This was the nature of C2's arrangement, and he offered clarification on his reporting structure:

"Well I am on the executive committee here and I report to the chief risk officer, but I also have a reporting line, an informal reporting line, into the head of risk in Madrid. So I am what they call a top red which is the higher level of management, so I guess that puts me in the global category"

- C2, Finance, CoinCo

C2's reporting line was similar to the other AE managers interviewed, who also indicated that they had reporting lines in both locations. C4 also stated that she had two separate reporting lines, one manager in Madrid and one manager in the UK. She stated:

"Here in my current role I report to [C1] directly and then in Madrid I report to the HR,

it's not the Global HR Director but it would be like the Deputy."

- C4, HRM, CoinCo

Indeed, all four of the managers interviewed were undertaking global roles and hence had reporting lines outside of CoinCo. The above manager, C4, explained that because of her job responsibilities, her role was a global one, it required more frequent contact with the Madrid headquarters. Indeed, in addition to working closely with C1, the HRD, she also worked closely with several different teams and areas of HR in Spain. Regarding the nature of assignees' reporting structure, C3 also commented on the difference between the two reporting lines. About these, he stated:

"I report institutionally to the CEO, and strategically to a general manager in Spain, and functionally to the head of UK banking. You report to both if you are working in the global divisions."

- C3, Education, CoinCo

This comment helped to highlight possible differences in assessing the roles of international management assignments. With regards to C3's functional, day-to-day duties within the local context, his performance as the Head of Universities was assessed at a local level. However, whereas his global role was concerned, this was left to the headquarters in Madrid. As TopRed managers, C2 and C3 were assessed in Madrid using a 360-degree appraisal. Although there were set times during the year, many of the managers also indicated that this was done on a more frequent and informal basis. Another manager also elaborated on the nature of his reporting structure and how these differed according to his local subsidiary function, and his more global strategic role. This was C5 in Properties, who stated:

"I report to the COO of the company here in the UK. I have a functional reporting line to the head of properties in the corporation...Also a functional reporting line to the head of change management, they ensure that the process we define and the way we implement them is following the group model. They are based in Spain."

-C5, Finance, CoinCo

In the above quote, COO refers to chief operating officer. Once again, the monitoring of AE

managers' control function is highlighted. All of the managers interviewed stressed the above point regarding the importance of ensuring alignment between the activities of CoinCo and MonCo's Madrid headquarters. The fact that all managers interviewed reported to the company's global HQ contrasted with the other two major case study firms, where AE managers reported primarily to regional and or divisional HQs. This, however, was influenced by difference in the type of business and structure of MonCo, a financial MNC, as compared with the other two firms, which were global conglomerates operating across various industries. On the other hand, another contributing reason for CoinCo assignees' global reporting structure was because of strategic importance of CoinCo as a subsidiary. Secondary documents (annual reports) gained from the company's website, confirmed interviewees' comments on the importance of MonCo's UK business operations, which made up the majority share of the firm's business. The following section will outline any changes in the use of international assignments, as observed by those interviewed.

6.6. Changes to Expatriation

Interviewees were also asked whether they had observed any changes in the way in which assignments operated over the years, and in the reasons for sending expatriate managers abroad. C1, the HRD who was in charge of organising these assignments, had been with the company for four and a half years and stated that he had seen little to no changes to this program during his time with the organisation. He had however observed that there was an increase in self-initiated expatriate assignments coming out of Madrid and into the UK. This, he stated, had been in response to recent challenges within the Spanish economy after 2008. C1 explained this further:

“There may be people who come from the group who want to come to the UK and they are making the decision to come rather than the group saying we'd like you to go to...So we've had quite a few people who, particularly as the Spanish economy is not brilliant or whatever, are interested in exploring opportunities in the UK...The bank in Spain has had no problem with employment but the economy generally, unemployment in Spain is quite high.”

- C1, HRD (CoinCo)

C1 also explained that these managers sought expatriate opportunities with the company's UK-based locations and following the end of their expatriate contract, once their performance was

consistent, they had the opportunity to apply for permanent posts within the assigned office. Although, none of the AE managers interviewed were in the UK assigned under such circumstances, it was important to highlight that the option to localise after five years was built into all expatriate contracts in this firm. This was in stark contrast to the first two firms interviewed, which indicated that it was typically the intention of the firm to have locals replace expatriates upon completion of the assignment.

Another interviewee, C2 in finance, stated that he had observed some change with regard to the amenities provided to international assignments during his twenty-four years with the firm. In relation to the functions that AE managers perform, he stated that he had noticed a trend towards international leadership development: About this, he said:

“The bank had spoken a lot over the last decade about building up a cadre of people, a reliable core of people who can move around to give the bank, to allow the bank to benefit from the different cultures in the different subsidiaries, and then bring best practice back in Madrid”
- C2, Finance (CoinCo)

This manager explained that in earlier years, he observed that international management assignments were largely used for trouble-shooting around the globe. With the new focus pointing towards the development of managers with cross-cultural capabilities, he believed that the company was moving in the right direction, and better equipped to deal with changing subsidiary environments. Apart from this, none of the other interviewees indicated that they had observed any other changes in the use of international assignments.

6.7. Summary

This chapter has outlined the findings from interviews conducted within the CoinCo, the UK head office of MonCo, with regard to the nature and use of expatriate management assignments within this organisation. It was found that expatriate managers were sent to the UK for the purposes of knowledge transfer, management development and coordination and control. These roles involved several objectives, including language translation, knowledge dissemination, and development of a global perspective, development of managers’ professional network, identification of more global opportunities, internal consistency, and the socialisation of local employees. While

managers were undertaking a number of these roles at any given time, the primary reasons for assigning managers to the UK head office CoinCo, was for language development and translation, as well as for the purposes of closer alignment with the global HQ. The use of AE managers for the purposes of language translation was linked to limited foreign language skills within the UK context, and the need to ensure smooth communication not only between CoinCo and MonCo's Madrid HQ, but also with MonCo's global customer base. Assignees typically performed these roles for a period between three to five years, and had the option to localise at the end of the assignment period.

Assignees engaged in a number of activities at a micro-level in order to achieve their various role mandates. These activities occur both formally and informally, and included daily interaction with local employees and stakeholders, demonstration of specific practices or values, attendance at organised training workshops, organisation of meeting and workshops to address problems or queries, and internal negotiation with employees about work practices. To assess the extent to which their roles had achieved what they were meant to, assignees were appraised bi-annually, and also on a more regular and informal basis through conversations with their superiors within MonCo's global HQ, their home offices, or in some cases their functional superiors within CoinCo. With regard to the outcomes of their assessments, these were identified as increased awareness of global best practices, better quality of communication across different units, increased firm visibility and partnerships in the local context, better working relationships and experiences, and increased cultural diversity. These outcomes were observed both during and after the particular expatriate assignment, and impacted at various levels of the organisation. The HRD and other managers, however, stressed that more could be done within the company to harness the knowledge gains of international assignments.

With regard to changes in the nature and use of international management assignments, there was an increased number of self-initiated assignments coming out of Madrid, which the HRD stated was due to economic challenges in Spain. One manager who was with the company for twenty-four years had noticed an improvement in the amenities that were offered to managers while on assignment. In addition, it was observed that the bank was placing more emphasis on using expatriate assignments for management development, in order to ensure that they had a 'cadre' of people capable of leading on a global scale. No other changes were reported by those interviewed.

The following chapter will move on to examine the findings from the fourth and final major case study firm, ComCo.

CHAPTER 7: MAJOR CASE STUDY FOUR: COMCO

In this chapter, the findings from the fourth and final major case study will be analysed. Similar to the previous three chapters, a background profile on the chosen company and its UK subsidiary will be provided before moving on to discuss the findings from the interview data. These findings will be concerned with the nature and use of international management assignments within the firm ComCo.

7.1. ComCo Company Profile:

ComCo is a Spanish multinational telecommunications company with its global headquarters based in Madrid. When it was originally set up in early twentieth century, it was an independent, local firm, however, the Spanish government later took control of the majority of its shares. The decades following this, ComCo grew to be one of the largest enterprises in Spain, with around 100,000 shareholders and over 30,000 employees. In the subsequent years, after establishing satellite communications and data transmissions, it entered the New York Stock Exchange. Its global presence continued to expand in the following 20 years and into the 21st century. Following the liberalisation of Spain's telecom industry, ComCo became a fully public company. After this, it embarked on a series of Joint Ventures and Acquisitions across Europe and Latin America, and also sought to strengthen its strategic alliances in China.

Currently, ComCo provides information and entertainment solutions in more than 20 countries. Although its main presence is in Europe and Latin America, it serves more than 300 million customers worldwide. At present, more than seventy percent of its business is generated outside of its home country. It is listed on four Spanish Stock Exchanges and also on stock exchanges in London, New York, and in Latin America, where it serves over 200 million customers. ComCo also has several operating companies within the United Kingdom, Ireland and Eastern Europe, which provide telecommunications services to more than 100 million customers.

ComCo describes its business model as regional and integrated, and it aims to extend its client focus, leveraging scales and industrial alliances. Its group operations across the globe are organised into two key geographic regions, these being Europe and Latin America, and the global business unit, DigiCo. At the middle of this structure is ComCo's corporate centre which reserves

responsibility for its global and organisational strategies, corporate policies, the management of common activities, and the coordination of business unit activities. In recent years, ComCo has sought to globalise its structure through establishing another global operating business unit called Global Resources, which seeks to achieve global efficiency from ComCo's scale through the streamlining of many of its processes. Through this unit, it aimed to consolidate, simplify, standardise some of the company's non-strategic assets. This global unit is organised around several key global areas some of which include Network and Operations, IT, Procurement, and Human Resources.

7.2. ComCo in the UK: CallCo and DigiCo

CallCo, ComCo's UK brand, is a wholly owned subsidiary of ComCo and is part of ComCo's Europe group. This group operates several integrated fixed/mobile businesses across the UK, Germany and Eastern Europe, and offers landline and mobile services in the UK, Germany, Ireland and parts of Eastern Europe. It was first established in the early 2000s following the demerger of a UK telecom operator from its former mobile business. Currently, it serves over forty million customers throughout Europe and has over 28,000 employees across the group. Within the UK, CallCo has almost twenty million customers. The CallCo brand is very closely aligned with other ComCo group brands, and shares the same brand values as these other entities. With regards to ComCo's new institutional aims, CallCo is also ComCo's European regional headquarters and has been given the responsibility of speaking to various institutions and investors in countries of operation. DigiCo is the newest division of the business and has been set up to take advantage of digital activities globally, and deliver new growth to the company brand through research and development, global partnerships, venture capital, advertising, and digital services. It is headquartered in London and has regional centres in the US, Spain, Latin America and the Middle East.

7.3. Interviews in CallCo and DigiCo:

ComCo currently has almost 300 hundred individuals on international assignments across the globe. At the time of interviewing there were 174 long-term expatriate assignments across the globe, while another 111 assignments are short-term, that is occurring for a period of less an one year. The below table highlights key information about those employees, within CallCo and

DigiCo in the UK, who agreed to be interviewed.

Respondent	Department	LOE	LOA	Expatriate type	Previous assignments	Management level
D1	GMM/HRM	15yrs	2-3yrs	GMM	N/A	Middle
D2	VP	5yrs	3yrs	TCN	1	High
D3	IT/Properties	13yrs	1.1yrs	PCN	2	High
D4	HRM	11yrs	5yrs	TCN	2	High
D5	Finance	15yrs	5.5yrs	TCN	2	High
D6	IT	7yrs	3yrs	PCN	0	High

Table 14: ComCo Profile of respondents. LOE=Length of employment, LOA= Length of assignment, ST=short-term, PC=parent country

Within the UK, there were fifty-six AE managers, the majority of which were middle or senior level managers. The GMM made it clear that there is an even spread of AE managers across the various departments within its UK locations, CallCo and DigiCo. In total, six interviews were gained from within these two UK locations. These were with ComCo's GMM for the UK region (D1), the Vice President of DigiCo (D2), the Head of Networking and Efficiency (D3, CallCo), the Head of Human Resources (D4, DigiCo), the Senior Finance Manager (D5, CallCo), and the Digital Manager (D6, CallCo). These interviewees had been within the firm for a minimum of five years and an average of ten years, and all operated at senior management level. Of the AE managers interviewed, two of these were PCNs, while the other three managers were TCNs. These individuals provided information regarding that the nature of their assignment and how these were undertaken within the local subsidiary. Such information will now be provided below.

7.4. Reasons for Using AE Managers

The below table provides a summary of the reasons for assigning expatriate managers to foreign subsidiaries, as stated by interviewees. The first interview was conducted with the GMM, who was based within ComCo's UK-based European headquarters, CallCo, and who coordinated all of the global assignments coming in and out of the UK. At the time of interviewing, this manager, D1, stated that there were fifty-six expatriates assigned within ComCo's two UK-based subsidiaries (CallCo, DigiCo). This expatriate group was made up of mostly senior executives, including CEOs

and board members across all organisational functions.

Assignment Purposes	D1 (GMM)	D2 (VP)	D3 (IT)	D4 (HRM)	D5 (Finance)	D6 (IT)
Knowledge transfer	*	*	*	*	*	*
Management development	*	*				
Coordination and Control	*		*	*	*	*

Table 15: Reasons for using international management assignments in ComCo

With regard to the length of these assignments, many interviewees stated that the company typically used long-term assignments, which usually lasted about three years. D1, ComCo's GMM, stated that as the majority of ComCo's assignments lasted three years or longer, these were considered 'traditional' assignments in the company. When asked about why they were sent to the UK subsidiaries CallCo and DigiCo, knowledge transfer was cited as the chief reason for transferring AE managers to ComCo's UK operations. In addition to this, managers were also transferred for purposes of management development, and the coordination and control of global activities. Regarding their control function, a key reason that managers were transferred was in order to integrate acquired units into ComCo's business group. The following section will explain a bit more about what AE managers' roles involved and how these were undertaken.

7.5. Assignment Role Mandates and Processes

Once interviewees identified the various reasons for which they were sent, they were then asked in more detail about what these functions involved. The below table (table 12) provides a summary of the role mandates, as well as the processes that AE managers stated that they pursued in order to fulfill their assignment mandates.

Role Mandates	Assignment Role Processes	Managers involved
Transfer specific skill/experience	Daily interaction with local employees; demonstration of company process	D2, D3, D4, D5, D6
Provide global perspective	Daily interaction with local employees; organised workshops on the use of systems, demonstration of particular work process	D1, D5

Facilitate cross-unit communication	Job-swaps, in-person or phone meetings across units; organised introductions between home and host country staff.	D1, D2, D3
Gain global experience	Daily interaction with local colleagues and stakeholders; engagement in organised training workshops	D1
Leadership training	Daily interaction, execution of local job role; engagement in organised training programmes	D1
Global coordination/ strategic alignment	Installation of key organisational processes; monitoring of local work processes; daily interaction with local employees; daily contact with Madrid headquarters	D1, D2, D5, D6
Create information channels	Introduce colleagues across different units; explain local processes to home office or global headquarters	D1, D3
Socialisation	Organise workshops; discuss issues/concerns with staff; negotiate/explain rationale for new processes	D6

Table 16: Assignment Role Mandates and Processes in ComCo

In terms of assignment mandates, interviewees stated that their knowledge-related roles involved the dissemination of headquarter values, systems and their specific skills and expertise. In addition, they also indicated that they learnt from the local environment although they stated that in their senior positions this was not a priority while in the UK. With regard to management development, this involved the development of an international leadership network. Finally, coordination and control involved the strategic alignment of local subsidiary activities, with those in ComCo's headquarters in Madrid. AE managers were also involved in the creation of external networks, and the socialisation of local employees. Beginning with interviewees' knowledge-related roles, each of these functions will now be examined in further detail.

7.5.1. Knowledge-related Roles:

When interviewed, the GMM within ComCo's European HQ, CallCo, stated that knowledge

transfer was the primary reason for using international management assignments within the UK. Indeed, all of the AE managers interviewed indicated that they were engaged in some form of knowledge transfer. The knowledge-related roles identified by the five managers interviewed included the transfer of specific expertise, the sharing of best practices across different global units, and providing local units with a global perspective. With regard to specific expertise this was often technical in nature, or related to built-up experience of dealing with certain organisational stakeholders (e.g. suppliers). Of the knowledge-related reasons listed for the use of expatriate management assignments, the most common reason cited by the five managers interviewed was the transfer of technical expertise. D1, the GMM based within CallCo, stated that it was the company's practices to assign senior-level managers for purposes of transferring technical knowledge to foreign locations. This particular objective will be further explored below.

7.5.1.1. Knowledge Dissemination: Specific Skills/Expertise

Within the UK, managers had primarily been assigned to CallCo, the company's London-based regional headquarters, as well as within new ComCo business, DigiCo. Regarding the latter business, this was also in London, and was a global unit responsible for ComCo's mobile and digital marketing. It was among the chief reasons why there was a need to assign senior managers within this UK location. While DigiCo dealt with all digital marketing operations, CallCo provided all phone-related services within specific European countries. When used for technical knowledge transfer, D1 indicated that most of these managers were assigned out of ComCo's headquarters in Spain. About this he stated:

“The most common are those with technical expertise so technology. In terms of knowledge transfer (KT) and managing start-ups. If there is expertise in one country that doesn't exist but there is expertise in another country. The majority are probably out of Madrid but certainly by no means all.”

- D1, GMM (CallCo)

Managers who were sent for this function tended to be very senior expatriates, and typically included board members and CEOs of specific businesses within the company. D1 went on to explain why this particular function was so necessary within the UK at that present time, further

elaborating on the relatively recent acquisition and on-going integration of a telecommunication business within the UK. He explained:

“In 2006 they bought [Company A) which is the business's [audio unclear] outside Spain in Europe, and from day one it was probably very much coming into the UK to take over, and work out how they are going to manage the business.”

-D1, GMM (CallCo)

The transfer of technical expertise into this unit was one of the key steps in instituting global management, through the establishment of distinctive organisational knowledge systems and processes. In this way, knowledge transfer also facilitated organisational control of the globally dispersed branches by ComCo's global headquarters. AE managers interviewed confirmed that they were transferred to ComCo' UK offices as a result of the specific technical skills that they possessed. Some who were based in the UK location CallCo agreed that they had been assigned by ComCo's headquarters in Spain in order to establish key processes and set up systems with its main support functions. D6, who was the Head of Networking within CallCo, explained that this was the primary reason for his assignment to the UK. About this he stated:

“I have a technical financial role within the organisation. I deal with the big contracts with suppliers that provide services to our telephone networks. Try to find the optimal solution to our networking issues. That is the reason for my selection. I have a lot of experience with the deployment of optic fibre”

- D6, IT (CallCo)

This comment was in line with those from other interviewees, who also indicated that they were assigned within CallCo because of the expertise that they had built up in their specific field. Another manager from IT, and who was also involved in the establishment of key organisational systems and platforms, was D3, the digital manager who was also based within CallCo. When asked to elaborate on the rationale of his assignment, he stated that it was the desire of the Madrid headquarters to encourage knowledge exchange between its LatAm and European business units. About this role, D3 said:

“ComCo wanted to promote more exchange of professionals’ experience and share best practices with LatAm and Europe. I was doing what they needed for Europe so I was invited to come over. The former ComCo Europe COO and the head of network transformation were the ones offering me the job.”

- D3, Technology, CallCo

This particular manager had worked within the tele-communications industry for more than a decade, and had taken part in various regional initiatives within ComCo’s LatAm market. He had stressed that it was because of his involvement in such projects that made him the best fit for the UK assignment. His role involved both the transfer of explicit knowledge, in the form of key IT platforms, which would facilitate better communication across organisational units, and tacit knowledge, through providing daily guidance to his team in the UK on how such systems should be used. His assignment also required him to interface with key suppliers in order to enhance the benefits of knowledge-sharing alliances within the region. In addition to D3 and D6, another AE manager was sent to perform a similar knowledge transfer role but within DigiCo’s HRM department. This was D4, who had been with ComCo for seven years and was assigned from the global headquarters in Madrid. He stated that he was transferred in order to launch a new performance management model, help develop the global mobility policy, and develop and implement new compensation initiatives and programs in this location. It was his role to ensure that these new locally implemented processes were directly aligned with those in his home office. About his role in the UK, he explained:

“I joined DigiCo, when it was traded in 2011 and was assigned in DigiCo’s HR, responsible for HR rewards and performance, and managing international assignments. We re-organised the company recently, and DigiCo now is a global mobility team and I am part of that global team following the creation of this business”.

- D4, HRM, DigiCo

Similar to D3 and D6, D4’s assignment was driven by re-structuring within ComCo, which also included the launch of new businesses like DigiCo. Within this context, there was a need to develop a long-term incentive plan and implement new processes which allowed for the management and

control (discussed in section 7.5.3) of employees at a local level. D5, in Finance, also stated that this was among the reasons that he too was assigned to ComCo's UK office, CallCo. He provided an example of what his role involved:

“Once we started working with the BPOs [business process outsourcing], with the BPO providers, I was here as part of the core team so I created the guidance templates for them to give us their proposals so that we know how much it would cost in order to provide that service. So those are the type of things that I did.”

- D5, Finance, CallCo

D5 explained that ComCo dealt with several different services providers and entities across Europe and it was important that all of these followed the same financial principles and approach utilised across the rest of the firm. All of the above-mentioned managers who had these knowledge-related assignment objectives had worked within ComCo for a number of years. Moreover, they had all previously been on international assignments, and two of the three managers had been previously based within the Madrid headquarters. They emphasized that, as a result, they had built up personal and significant company specific knowledge that was useful in the context of business start-ups. Their assignments involved the daily interaction with and management of the local teams, in order to provide guidance on how systems might be installed or utilised. In addition, assignees were expected to meet with executive boards, in order to approve new processes. While these three assignees were engaged in such knowledge-related priorities, other AE managers interviewed stated that the emphasis of their knowledge transfer objectives was slightly different. This will be discussed further in the below section.

Provide Global Perspective:

In addition to setting up and developing more explicit policies and organisational processes, AE managers also indicated that they were transferred in order to bring a more global thinking into the company. The focus here was on the transfer of tacit expertise, including knowledge of ComCo's Madrid headquarter's approach to forming relationships with external stakeholders. For example, D5 in Finance, who was also involved in the setting up of several explicit processes (written procedures, templates), stated that he was also assigned to DigiCo in order to provide a headquarter

perspective to this UK location. He commented:

“My skills are quite unique in the team from the perspective that I was coming from the other side and I knew what challenges the suppliers could have and also what type of service they can provide.”

- D5, Finance (DigiCo)

While his technical skills were also valued in this location, D5 made it clear that it was experience working within the global headquarters and his external perspective that were more valued within this particular post. In providing this global perspective, D5's position within the subsidiary also helped to facilitate knowledge transfer between different global offices. This is discussed further in the following section on knowledge facilitation. In particular, he highlighted his past involvement with service-level agreements in Latin America was very valuable to his European counterparts as they had, up to the time, little experience working with the three main teams in this region. As such, he liaised regularly with local suppliers, his team in Madrid, and three main local European contacts in the Finance division. Earlier comments from D1, the GMM, coincided with D5's explanation regarding the use of international assignees to provide a more global perspective. About the need to think globally, this manager had commented:

“It's good to make sure that your business is delivering but it's also important to try to get people to focus on the global picture as well and international assignments can move you towards the caveat global organisation, becoming one company globally.”

D1, GMM, CallCo

This manager explained that this was why it was the practice of the firm to send international managers to locations where a new business was being set up. In such units, this interviewee stated that it was common for top management team within the business to be almost entirely made up of expatriate managers. Besides D5, no other managers indicated that they had been primarily sent for this purpose. Another purpose for which AE managers, did indicate that they were sent for, however, was the facilitation of knowledge, which will be elaborated upon below.

Knowledge Facilitation:

Another reason for the use of AE managers within ComCo's UK locations, was to create communication channels between these subsidiaries and ComCo's Madrid headquarters. These channels allowed knowledge to be shared between the globally dispersed subsidiaries and the global headquarters. D1, the GMM, stated that in such circumstances, the emphasis was not on the AE managers' functional skills, as these might already be present within the UK subsidiaries. He elaborated a bit further on this role:

"It may not be critical that this person goes in to do this particular job at this particular place, but if he or she can go in for 6 months or a year and then somebody comes back in the other direction, then you're creating contacts between the businesses, and so there is definitely some thinking there around how do you create a global company."

- D1, GMM, CallCo

According to D1, the term used for this role within ComCo was 'corporate glue'. As indicated by the comment above, these management assignments tended to be shorter than the traditional long-term assignment. Typically, it involved a job-swap between two employees in two different global offices. The idea was that each employee brought a different perspective, and hence helped to expand the global mind-set of the office in which they were assigned. It was a role that was focused on establishing connections between employees in various global locations, in order to ensure various teams and businesses became more integrated. This highlighted the flow of knowledge in both directions as the creation of communication channels allowed head office to build up contacts, and identify best practices within the local office. Moreover, D1 explained that it was about encouraging collaboration across different units in order to improve cross-border team-working. At the same time, it accentuated AE managers' control function as these managers could act as the 'local eyes' of the group (D5). These connections also led to the formation of more connections, as AE managers would share new contacts with colleagues in their office. Indeed, more than one manager explained that among the key reasons for their transfer to the UK subsidiaries CallCo and DigCo, was in order to cultivate relationships and knowledge partnerships between different regions. D5, for instance, explained that at the time of his assignment, ComCo was undergoing a financial transformation, which sought to encourage the sharing of information between business units in LatAm and Europe. This was similar to the process being undertaken within ComCo's

technology function, and as a result it was necessary to deploy senior managers to the UK in order to facilitate such knowledge exchange. About this role, D5 stated:

“It was a new role because the reason why I actually came to ComCo Europe was that a pan-European programme for finance transformation started, and there was a new team and they were interested in having participants from Europe.”

-D5, Finance (DigiCo)

While, D1 indicated that assignments for such purposes tended to be more on a short-term basis, this was not the case with D5’s assignment to the UK. The length of the assignment was found to differ depending on the specific objectives of the knowledge facilitating assignment, in addition to other assignment priorities. Managers also stated that such partnerships or programmes often led to the creation of larger organisational projects. In D5’s case, his assignment had been extended twice because his experience was desired for similar cross-border programmes. He stated:

“Before it ended, I agreed with my new boss to extend it by another two months to stay until end of 2012. But then there was another extension because they just wanted to use my experience that I had gained on this programme for another pan-European programme. So I agreed with another manager here in ComCo that I would help with a similar pan-European project.”

-D5, Finance (DigiCo)

This comment highlighted both the potential organisational and professional benefits that could be gained as a result of creating these communication channels. In saying this, however, D1, the GMM, admitted that ComCo’s head office global mobility team, of which he was a member, were not very good at harnessing the knowledge gained by managers on assignment, and as a result allot of the knowledge was lost. The following section will move on to examine assignees’ management development function.

7.5.2. Management Development in CallCo and DigiCo

When asked about how international management assignments fitted into ComCo’s organisational objectives, D1, the GMM stated that these were seen as a part of business development as the

company expanded into less familiar territories. He indicated that from the 2000s onward, the organisation was becoming less ‘Spanish centred’ and hence needed employees who were able to manage global operations and organise regions. From 2006, there had been increased exchanges between Spain and Latin America, as well as between Spain and Europe. To ensure that the company could adequately provide for the needs of its growing customer base in countries in these regions, international management assignments served as a way of developing managers capable of leading in various geographical and organisational contexts. While the company’s business objectives were being served, managers who undertook such assignments also benefitted personally and professionally. The GMM indicated, however, that it was only in recent years that the company had been paying more attention to the talent development value of international assignments, and were taking steps to ensure that the return-on-investment for both the company and the manager could be identified and assessed. This included the amalgamation of the company’s talent management program and its international assignment programme, an objective that was currently under development within ComCo.

At the time of interviews, D1 indicated that a ‘high-potentials’ program existed where high performing employees were offered opportunities to go abroad, and this was one way of identifying managers for international leadership development. One manager in DigiCo stated that it was through this high-potentials system that he was identified for his UK assignment. This managers, D2, also highlighted opportunities for training offered by the assigned branch,

“I was on a programme that was called high-potential young professionals, so the opportunity just came out of the blue and I took it over, so it was quite fast. In the case of the UK, they prepared the programme with some papers about how to get into the country etc. And they prepared leaders training but I never had because I didn’t have time for these things.”

- D2, VP (DigiCo)

While other managers also indicated that some leadership training was offered throughout the company, there seemed to be little affiliation between these and expatriate assignments. Indeed, D1 stated that the link between talent management and global mobility was not always obvious. The separation between these became evident when AE managers were asked about the existence

of formal developmental mechanisms and support while on assignment. All five managers stated that while the assignment itself acted as an experiential development tool, there were little formal management development mechanisms that were accessed while on assignment. D1 (GMM) indicated, however, that there was some cultural training offered for long-term expatriates at the beginning of the assignment by an outsourced UK service. In most cases, managers were assigned primarily for organisational development purposes, rather than their own personal and professional development, which was more evident in the two US case study firms interviewed. In saying this, however, managers acknowledged that this might not have been a priority because of their seniority in the firm. The majority of managers interviewed had been with the company for over ten years, and hence were being sent out as trusted employees, primarily for the coordination of global activities and development of company businesses. Indeed, only one of the interviewees had identified management development as a key objective of their assignment to the UK.

7.5.2.1. Global Experience

Despite management development not being a key area of focus for many of the interviewees, some AE managers alluded to the cultural and experiential value gained from undertaking an international management assignment. D2 stated that he would benefit from an increased understanding into the subtleties of the English language and culture. He saw the assignment as providing insight into how particular statements made by his English colleagues might be translated differently from what he initially assumed. About this, he commented:

“In Spain, we are very direct in how we say things, and in England, they are not that direct. If an English person says to you ‘I understand what you are saying’, it doesn’t mean that they get it or that they agree with it. So you really need to understand all these things in order to work with them”

- D2, VP (DigiCo)

The translation of specific meaning within the local work context held significant functional and professional value for D2. Once the manager had grasped how to decipher the intended meaning of his colleagues, he also passed this knowledge on to his colleagues within the company’s Madrid office in order to avoid future misunderstandings. Other aspects of the local culture also proved

challenging to the fulfilling managerial objectives, while providing experience that might be referenced in the future. D2 pointed towards the different ways in which decisions are made within the Spanish context and within the local UK context. He stated that while decisions were made and acted upon relatively quickly in Madrid, this was difficult in DigiCo as a committee was often required before this could be done. To overcome this, he stated that he learnt to adjust his managerial approach, being more persevering and stubborn where necessary to ensure that organisational deadlines and global objectives were met. A key part of achieving this was the use of key performance indicators (KPIs), and what he described as ‘passion’ when putting through ideas.

7.5.2.2. Leadership Training

The expatriate managers interviewed were also asked about how global assignments were used to prepare them as global leaders. Again, it was emphasised by all five AE managers that this was not a priority for them within the UK as they operated at a very senior level. Because of recent acquisitions and changes to the company’s UK businesses, the objectives of managers’ assignments within DigiCo and CallCo were less concentrated on their professional development. Hence, when asked about mechanisms which supported their leadership development while on assignment (e.g. mentoring, leadership workshops, cultural training), the AE managers indicated that such mechanisms were not promoted or pursued. In most cases, support or mentorship while on assignment came from their immediate superior in the UK office or another global location. These individuals provided more day-to-day practical advice. D3 (Technology) stated:

“I do have a mentor my boss in the UK who is at the level of my real boss he is in HR. He does everyday functions and follow up”

- D3, Technology (DigiCo)

In addition to immediate supervisors, HR staff in the assigned office were also a source of support or advice for managers. Some managers, however, despite their seniority, expressed the need for more a developmental focus to management assignments, and stated that this was an area that could be improved by ComCo. D4, (HR) believed that there was a need to help managers develop and chart their career path. He commented:

“It should be linked to more to the career path that the individual will have and is linked to what is best for the employee and what is for the company but everything will be based on performance as well.”

- D4, HR (CallCo)

As indicated previously by comments from D1 (GMM), this was an area in which ComCo were currently in the process of developing, as they sought to integrate their talent management and global mobility programmes.

7.5.3. Coordination and Control

One of the primary reasons that expatriate managers were assigned to the ComCo’s UK offices was to ensure the coordination and control of the newly set-up operations. The majority of assignees stated that they were assigned in order to coordinate activities in the local subsidiary units in light of recent changes to the UK-based businesses. Such coordination helped to facilitate control of the ComCo’s global operations by the company’s headquarters in Madrid. In order to achieve this, trusted senior managers were assigned to aid in the consolidation of subsidiary activities to improve global efficiency, as well as the establishment and alignment of key organisational processes. In addition to this, assigned managers also helped to coordinate activities between various globally-located teams, which helped to ensure the achievement of specific global objectives. While the socialisation function was very evident within ManCo, MedCo, and MonCo, it was not quite as evident within ComCo. Although some managers indicated that their role consisted of bringing their perspective across to this branch, these managers were more involved from a knowledge exchange purposes. Only one manager indicated that this was a key part of their key assignment objectives. This was D4, the Head of HR in DigiCo. Another way of enhancing organisational control that was identified by assigned managers, however, was through the creation of information networks across the company’s global offices. D1, the GMM, said this about expatriate managers’ coordination and control role within their assigned subsidiaries.

“It could partly be around control if you've got a new business. We had a new business in the [name] 2 or 3 years ago so you power-shoot in some senior, more experienced people, to manage that on behalf of the wider group.”

– D1, GMM (ComCo)

Below, assignees' control role will be separated into three categories, the coordination of global activities, and creation of information networks and the socialisation of local managers. How managers achieved these objectives locally will be outlined in further detail.

7.5.3.1. Alignment of Global Activities

With regard to assignees' coordination function, D2, who was the Vice-President (VP) of DigiCo, explained that his role was primarily about coordination of ComCo's global activities. He was assigned to this location in order ensure that the technology in the various UK divisions was in line with the technology used by ComCo's various global subsidiaries. He stated:

"It's about coordination with all the various countries where we operate in order to make sure everything is in place in order to be able to launch the services we agree with partners. And then typical things about setting up plans, setting up budgets, controlling the budgets, pure P&L [profit and loss]."

- D2, VP (DigiCo)

D2 went on to explain how his particular assignment within the UK was geared towards the coordination of global activities across teams in different global units. He described this role as one which required allot of time because of the wide geographical spread of stakeholders with whom he interacted. He stated that he was currently managing and working closely with three globally dispersed teams to set up and manage budgets, and launch partner-agreed services. When asked about what his daily activities involved, he stated that it involved being in regular discussions with a team within his home office in the US, and another team within one of the firm's Latin American offices. The main part of the role, however, involved managing the local team in DigiCo and making sure that particular systems or policies would allow them to adequately perform their designated roles. He emphasized that coordination between then three teams was necessary in order to launch services previously agreed upon with the firm's various business partners.

Another manager, D5, who was a senior finance manager within CallCo stated that the consolidation of global processes was also the key reason that he was assigned to the UK location. He explained that it was important to ensure that any financial information that was to be presented

to ComCo's Spanish headquarters had been verified. He commented:

“My responsibilities were mainly to look out for all the finance activities for the pan-European project. So making sure that we have the business case logged analysed, and presented well to the senior management. Also, the financial principles that we have right because ComCo has got multiple entities within Europe so we needed to make sure that the financing across those entities is correct.”

- D5, Finance, CallCo

This was also observed in the three previous case-study firms where senior-level financial positions were typically filled by expatriate managers. There was an emphasis on this particular role within DigiCo as this branch had only recently been formed. As a result, senior managers were often piloted in from ComCo's Spanish headquarters in order to establish and develop key support functions. At the time, DigiCo was in the middle of an internal transformation to bring its IT and telecommunication resources up to date. D5 explained that prior to beginning his UK assignment, he had spent a year working in a Czech office as senior financial specialist in preparation for this role. It was through this previous role that he was able to join the pan-European programme that he was now a part of. He described his role in the UK as agreeing where funds should be dedicated, ensuring that invoices came through for all transactions and ensuring that his team could account for any money coming in and out of the unit.

A third interviewee, who was also based within DigiCo confirmed that he was there in order to perform a similar consolidation function. This was D6 in IT, who was leading a transformation process within CallCo. He explained:

“It's a global initiative where we try to optimise our telecom investment and infrastructure for over 20 countries. It involves the harmonising of the company's energy efficiency programme across these countries, as well as influencing ComCo's emissions reductions targets.”

- D6, Technology, CallCo

This interviewee stated that this role involved him being on the phone all day with his boss in Madrid as well as five of his colleagues in another office in Brazil. He explained that he was

selected for this particular role because he was fluent in four different languages including German, Portuguese, English, and Spanish, which facilitated communication across various ComCo offices in different regions. He also described some of his projects that he was currently involved in as ‘regionalisation initiatives’, which were also being driven by ComCo’s growing business in the Latin American region. It was emphasized that the aim of the various roles which he undertook within the subsidiary was to achieve the benefits of scale for the Group. The following section will move on to discuss further how AE managers also helped to achieve control through creating communication channels or information networks across different organisational units.

7.5.3.2. Creation of Cross-unit Communication Channels

Within ComCo, D1 (GMM) explained that AE managers were also used in order to enhance communication across the MNC. This role was mentioned previously under the knowledge facilitation function, however it also played a key role in ensuring that ComCo’s global headquarters could maintain control from their location in Madrid. Through strategically placing expatriate managers within specific subsidiary units, ComCo was able to create an information network in which they could tap into to garner key information or stay abreast of the operations of its globally dispersed business units. D1, the GMM, who was involved in coordinating such moves, explained how these roles were arranged, and stated:

“Within our Europe team, they've been quite good at arranging job-swaps, so even if there isn't actually a need for someone to go from the UK to Ireland for example, they've got the expertise there already but they have deliberately arranged for people to swap jobs maybe at the same time or maybe one after another, to go in and do an existing role, and be charged with keeping that role going”

-D1, GMM (ComCo)

D1 went on to explain that in addition to facilitating the transfer of information, creating such positions also ensured that the Madrid headquarters was privy to local activities and could intervene in decision-making at a local level. He added that this was a part of the company’s strategy to ensure that its businesses became more globalised and increased connections, rather than have individual businesses drifting off in their own direction and, according to D1, ‘doing their own thing’. This concern was similar to that of H2, a PCN in HealthCo (See chapter five),

who expressed the need to ensure that local employees were not going off and pursuing their own ‘organic work’. Another benefit of this was that ComCo’s Madrid headquarters gained a better understanding of how decisions were taken at a local level and what factors influenced these. Most of the managers interviewed had observed differences between the between the UK and the Spanish work environments, and believed that these impacted organisational activities. D3 stated:

“The Spanish way is more hierarchical and traditional while the UK is subtler and the politics work differently. As an outsider to both countries I could observe independently. DigiCo had a much more market-oriented way of working.”

- D3, Technology (DigiCo)

This manager’s comments also pointed to the benefit of positioning a TCN within global subsidiaries, as opposed to a PCN or HCN. He spent a great deal of his working day on the phone talking to colleagues in both the UK and Spain, reporting on the progress of specific projects and explaining the rationale behind particular objectives and actions from each office. He went on to explain that while managers were not sent only for this bridging function, it was still necessary in order to achieve their main assigned objectives. About the importance of this role, D3 stated:

“It was in order make the company more global as ComCo is grown by acquisition of local telecom operators that are really local so you end up having a global footprint with a local culture so the company wanted to build a more multicultural operation.”

- D3, Technology (DigiCo)

This, alongside assigned managers’ other control responsibilities, required them to be in regular contact with their home office or ComCo’s headquarters in Madrid. This was the case with four out of five of the AE managers interviewed, as they were all engaged to some extent in this role. With regard to creating information networks, D4, described it as creating a worldwide task force where input was received from several countries and assigned managers helped colleagues in foreign subsidiaries to define particular models from a ‘corporate’ point of view. In saying this, however, managers acknowledged that part of the reason for such regular contact with the Madrid head office was because of the size of the projects that they were working on, and not strictly because they were in expatriate posts. Large projects often required that managers communicated

and interacted with teams based in Latin American and across Europe, regardless of whether they were expatriates or locals. For example, when asked about his communication with other colleagues, D3 explained a bit about the nature of his role:

“It's global so my boss is based in the HQ in Madrid. We're all part of the ComCo global resources entity, we have a global CTO [chief technology officer] who takes care of network functions then my boss working for the global CTO and inside this area the Directorate of Corporations is my area so my bosses are in Madrid.”

- D3, Technology (ComCo)

Other managers agreed with this, stating that in some cases it was the nature of their job that required them to be in touch with both globally assigned expatriates and other colleagues across the globe. The final aspect of control that managers highlighted was key to enhancing subsidiary control was the socialisation of employees within the local subsidiary, which will now be further discussed.

7.5.3.3. Socialisation

Out of the five AE managers interviewed, only one stated that his role was centred on the socialisation of local managers within the UK location DigiCo. This was D6, who was the HRD within DigiCo. He explained that because of recent significant changes, which included the creation of the new UK-based head office, ComCo sent a senior team of managers from their Madrid headquarters to ensure that its corporate culture was embedded within this new entity. He commented:

“I was moved because the company put an HQ in London and they wanted to have the ComCo culture in this new unit. We wanted to create a new business that could transform the whole group. So the executive staff at this branch are mainly expats. After five years they have the option of localisation.”

- D6, HRM (DigiCo)

The use of AE managers for this purpose was also confirmed by D1, who stated that the need to operate as one ‘united firm’ was particularly important within the IT department. The transfer of corporate models to the UK headquarters, however, was not always smooth sailing, as local

employees tended to resist such changes. D6 believed that the reason for this was the differences between the local office's culture and the culture of the Madrid office. He stated that during his time on assignment, local employees had not been very accepting of ComCo's global model. This was because, he said, of very strong characteristics found in each culture. The only way that this manager and his team were able to get employees to accept this global HR system was through proving that it worked once implemented. This mirrored the sentiments of other interviewees, some of whom provided examples of the differences between the local subsidiary's approach and the approach expected by the Madrid head office. D6 in IT provided the below example:

“There is a culture in Madrid that we need to keep competition among our suppliers high, and so we are constantly paying the optimal prices for services. Traditionally the UK has been a very static business and very conservative and cautious about moving from one product to another. So the biggest part of the culture I am constantly trying to bring is this attitude of never becoming complacent and always seeking the best product and searching for the best suppliers”

- D6, IT, CallCo

D6 identified this particular 'ComCo attitude' as being particularly important to staying competitive within the particular sector that the company operated in, and stated that it was important that the various local teams understood the value to utilising optimum suppliers. When asked what was involved in encouraging the adoption of ComCo's approach when dealing with suppliers, the assignee explained:

“Right after the decision to introduce a new important supplier that triggered a new project plan to implement and put their services in place and incorporate them to our day-to-day activities. The project plan stated which teams should be involved as they were affected with the change and we also had some planned sessions to define processes, raise awareness and address concerns. A range of activities were well-planned from the beginning.”

- D6, IT, CallCo

It was also explained that the above-mentioned plan was also aimed at encouraging better communications between teams and getting them to work together in a more effective way, an area

which D6 stated needed some improvement. The following section will move on to examine the outcomes of managers' assignments, and the extent to which these were monitored.

7.6. Assessment of AE Managers' Assignment Outcomes:

As with the respondents from the previous three case-study firms, interviewees within ComCo's UK subsidiaries, CallCo and DigiCo were asked about the way in which their assignments contributed within the organisation and how such contributions were monitored. Some of the main outcomes identified by interviewees included increased efficiency through streamlining of ComCo's organisational systems, better communication between organisational units, reduced time in setting up new operations, expansion of assignees' career opportunities, and better coordination between members in global teams. Regarding the increased streamlining of organisational systems, one manager, D5, who had been sent primarily for this purpose, explained the contribution of his assignment, stating that he ensured that key information was available to CFOs, and enhanced the monitoring of financial elements across European programmes. Also, he explained there was an increased amount of information available to key employees in Pan-European teams, which facilitated better business and commercial decision-making. This was as a result of D5 establishing key business process and service level agreements, which provided a more holistic view of key financial measures for these groups. When asked about how such outcomes were monitored or measured, D5, stated that these were evident in improved communications among the teams, as well as by the request for him to stay on in the local office to assist with a similar European project (See quotes by D5 under knowledge facilitation section). About this he stated:

"My new boss came and he actually opened up the new role that was required for the finance transformation team. I applied for that and he actually had chosen me for this role"

- D5, Finance, CallCo

By localising the role, the local subsidiary could retain D5's expertise and experience, and allow him to continue developing the key processes that he had delivered while on assignment. Another interviewee, D1, indicated that localisation was an option for AE managers after completion of their three-year contract. This, however, as indicated in the quote above, was often influenced by

the needs of the business. D4 in IT also stated that his assignment had been localised:

“I have been here for five years and I was given the option of localising in the UK so I am currently negotiating this contract and benefits. I will become a UK employee but performing the same global function”
- D4, IT, DigiCo

Although this manager had localised, he explained that he was continuing the role that he performed as an expatriate. It was explained that the choice to localise was a mixture of practicality (e.g. assignment cost), the needs of the particular business, and the need for a more integrated global operation. D1 had previously explained that over the last five to seven years, several expatriates had become localised within the UK because of the formation of a new business, DigiCo, and the need to have this business fit into the rest of ComCo's global operations. This particular trend (used loosely) to localise expatriate managers was also observed in the previous case study, MonCo, where the option to localise after five years was built into assignees' contracts. This was in stark contrast with the two American case study firms, ManCo and MedCo, which sought to replace AE managers with trained local successors at the end of their assignment. Outside of localisation, D1 (GMM) stated that AE managers would typically return to their home unit or another subsidiary to perform a new role. Promotion, however, was not always guaranteed at the end of the assignment. The availability of a post, as well as the performance of the AE manager were also considered when such decisions were made.

When asked about any formal processes for the monitoring of assignment outcomes, D1 stated that assignees' performance was monitored through a performance appraisal, similar to other employees within ComCo in Madrid. With regard to identifying the return on investment (ROI) of assignments, however, he explained that this was an area that needed further development within the firm. About assessing assignment outcomes, he commented:

“They clearly have their own objectives to deliver in their own so that is measured as with anybody else. What we're not so good at is setting objectives around the assignment itself and measuring whether that has been successful. There is a lot of talk in the expatriate world about ROI. That is something we are looking at but we're not on top of that as yet.”

- D1, GMM, ComCo

D1 further explained that improvement was needed in this area, in order to assess the extent of organisational benefits gained through international assignments. With regards to the performance appraisals, whether these were conducted globally or locally was influenced by the job role of the assignee, as was also the case within previously interviewed firms. Managers whose positions had been localised, explained that their appraisals were now performed by the local branch. D2 in Finance, however, stated that because he was a senior financial manager, he was expected to maintain regular contact with ComCo's HQ in Madrid. He explained:

"I would say it's for my particular role because within the financial team, I am not sure it's probably some 25 people in the finance team in ComCo Europe most of them are in contact with Madrid because they report the numbers to Madrid."

- D2, Finance, DigiCo

This manager also explained that he maintained contact with his home office in the Czech Republic, for job-related purposes. Regarding his performance appraisal and career development, this was now managed within this UK branch by his local supervisor, where this had previously been conducted in the Czech Republic from the office that he had originated. Indeed, this was the case for three out of the six managers interviewed (D2, D4, and D5), as these managers had also become localised within their assigned office (based on follow-up interviews). While they maintained contact with their former home office and or the Madrid HQ for the sake of the job, from a career standpoint, their performance was now monitored by their UK supervisor.

7.7. Changes to Expatriation

Interviewees were asked next about whether they had observed any changes in the nature and use of international management assignments by ComCo during their time with the firm. As the five managers who agreed to be interviewed had limited experience with international assignments, each having only been on one or two assignments including their current role, they stated they were unable to comment knowledgeably about this. D1, however, the GMM with more than fifteen years experience with global mobility in ComCo, explained that during his employment he had noticed that the organisation was moving towards creating centres of excellence (COEs) for global mobility. Also, he stated that because the company was moving more towards global efficiency, more AE managers were being sent to disseminate company expertise across the globe, as well as enhance communication channels across units. D1 explained a bit further:

“There is definitely an intent to globalise the business so there’s an underlying intention to make better connections between the business globally and leverage what they can, rather than rely on each business to just carry on with doing its own thing”

- D1, GMM (ComCo)

To achieve this, ComCo was increasingly sending more senior executives to their foreign locations, including the UK, to establish and launch key organisational functions and share built up organisational expertise. In addition to this, D1 also stated that he had observed that there were more expatriate assignments occurring between different global subsidiaries, as opposed to assigned managers being primarily sent from the global HQ in Madrid to local subsidiaries across the globe. He explained that this was partially due to the establishment of regional headquarters in key growth areas. He commented:

“The LatAm headquarters has just moved from Spain to Brazil in fact, which is a good example of becoming less Spanish-centred...Now it's more UK to Germany, Czech Republic to Slovakia, Ireland to Slovakia, there's much more going on now within the region than just Spain having to set up new companies in new regions which has matured the business I think.”

- D1, GMM, ComCo

To illustrate this, D1 also explained that when AE managers were sent from Spain to the UK in previous years, the focus was primarily to ‘take over and run the business’ operations. While this still occurred to some extent, expatriate managers were now being assigned abroad for an increasing combination of reasons, and from an increasingly wider range of countries.

7.8. Summary

This chapter has examined and outlined findings from interviews conducted within the fourth and final major case study firm, ComCo. This telecommunications company is Spanish-owned, with its global headquarters in Madrid. Six interviews were conducted within the company’s two UK-based head offices, CallCo and DigiCo. The interviewees were made up of one GMM and five AE managers. When asked what were the reasons for transferring managers to the UK, all interviewees listed a number of knowledge-related, management development, and coordination and control purposes, similar to the three previously interviewed firms. It was found that the use of international management assignments within ComCo was primarily influenced by changes in the

company's organisational structure, including the creation of new organisational businesses, and the formation of regional structures. These were balanced with several individual factors including the specific developmental needs of the manager being sent, as well as the amount of contacts, experience, and expertise that this individual had developed within ComCo. With regard to the use of these assignments within the UK context, it was observed, however that significantly more emphasis had been placed on the use of AE managers to transfer key organisational systems and processes, and to ensure alignment between their subsidiary unit and ComCo's Madrid headquarters.

Of the various objectives associated with assignees' three main functions, the knowledge-related mandates highlighted by interviewees included the dissemination of headquarter perspectives and values, implementation of key operational systems and procedures, and the facilitation of communication between different units. None of the managers interviewed indicated that management development was a key area of focus for their UK assignments. Indeed, all five of these interviewees operated at a very senior level, and had already built up significant experience within ComCo. However, based on their prior international assignments within the firm, these interviewees stated that assignments were typically used for leadership training and to provide high-potentials with a more global perspective of management. Such views were confirmed by the GMM, who provided examples of different types of assignments used within ComCo. However, this interviewee, along with the AE managers interviewed emphasized the need to more developmental support mechanisms (e.g. mentors, courses) to be provided for managers while on assignment, as well as for assignments to be more closely linked to assignees' career path.

As indicated previously, assignees' control function was primarily centred on the coordination and alignment of the local subsidiaries' organisational processes with those in ComCo's Madrid headquarters. In addition to this, AE managers also ensured control through the creation of communication channels across different units, as well as the socialisation of local employees. The GMM within this firm stated that international assignees often engaged in job swaps with local employees, even in the absence of an immediate skills or knowledge gap in the local environment. This ensured that there was someone who could provide information to ComCo's Madrid headquarters, about work processes and the nature of decision making in the local subsidiary. The socialisation of managers described the process of embedding the culture of ComCo within the

specified UK locations. This was undertaken through meetings to explain the rationale behind specific organisational processes, and demonstrating the company's work attitudes and values through interactions with local employees and external stakeholders (suppliers). Such activities were also used for the dissemination of knowledge to the two UK offices, CallCo and DigiCo. Other activities that contributed to the fulfilment of managers' assignment objectives included in-person and telephone meetings with colleagues in global and regional headquarters, organised workshops on new changes, and discussions with employees regarding the changes to be implemented.

The outcomes of the AE managers UK objectives were assessed both formally and informally, through the performance appraisal process, observed improvements in communication and relationships across different organisational units, as well as in specific work processes. On a more formal basis, the success of assignments was also indicated through the results of assignees' performance appraisal, or requests for the managers' skills on similar projects. In some cases, such requests resulted in a promotion for the assignee upon achievement of the specified objectives. As the majority of interviewees operated at a very senior level and performed global functions, they maintained close contact with the Madrid headquarters. Similar to the previous Spanish case study, however, AE managers were given the option to become localised within the local subsidiary, although there was no stipulated amount of years for when this process could occur. Indeed, three of the five AE managers interviewed had become localised within the unit that they were assigned. This proved beneficial to the local subsidiary as the necessary expertise could be retained within the UK.

Regarding changes in the use of international assignments within ComCo, the GMM observed that the direction from which knowledge was flowing and or expatriates were sent was increasingly expanding. Whereas in the past, expatriate managers were typically sent from the company's headquarters in Madrid, it was observed that assignments were increasingly occurring in a horizontal direction, with more assignments occurring between different subsidiary units. The GMM attributed this to the creation of regional headquarters along with other shifts in the structure of the organisation. Another change observed was the increasing use of expatriate managers for the purposes of knowledge transfer. This was linked to the company's move towards global efficiency as it expanded its business across wider geographical territories. This chapter is the

fourth and final major case study firm included in this thesis. The following chapter will move on outline to key findings garnered from interviews within several minor case study firms.

CHAPTER 8: FINDINGS FROM MINOR CASE STUDY FIRMS

8.1. Introduction

In this chapter, findings from the interviews conducted within several minor case study firms will be outlined. In total, fifty-one interviews were gained within twenty-two organisations. However, the nature of research access within these firms varied significantly. As indicated in the methodology chapter, it was the original intention of the author to conduct a number of interviews in six case study firms, including two firms from three different countries to allow for an institutional comparative analysis. However, as the minimum number of interviews desired (5) could not be gained from firms originating from the previously selected countries, four major case studies (ManCo, MedCo, MonCo, and ComCo) comparing firms from two different countries (US and Spain), was used instead. Focus was placed on these firms as these were where the majority of interviews were gained. At the same time, several other interviews were gained from a number of firms originating from several different nationalities and across different sectors.

Although there were not enough interviews gained within each of these firms to meet the minimum for a full case study, this collective body of interviews from a wide cross-section of MNCs lends support to and provides further insight into the major case study findings on the nature and use of international management assignments. Also, many of these interviews were conducted with key personnel, who spear-headed the global mobility function within their particular organisation. As a result, they were best placed to provide answers on the use of expatriation, and how this might have changed over time. In the below section, a brief description of these companies and the nature

of interviews within them will be outlined. A similar approach was utilised in Almond and Ferner's (2006, p. 295) study where a major and a minor case approach was pursued as a result of varying research access within MNCs. Correspondingly, the major case studies reflected a multi-faceted approach, gaining responses from individuals who were undertaking international assignments across various organisational functions, and from those individuals who were charged with organising such assignments. The majority of the minor case studies, however, consisted of interviews with human resource directors (HRDs) or Global Mobility Managers (GMM), although in some cases a few expatriate interviews were also gained. The nature of these interviews will be outlined below.

8.2. Minor Case Study Firms Used

In the below table are key facts about the minor case study firms included in this study. To protect their anonymity, pseudonyms have been provided as the company names. Also outlined in the table is information regarding the number of interviews that were conducted within these MNCs.

Co. Name	Parent Country (HQ)	Annual Revenue (£)	Global Offices	Countries Operational	Industry	Employees	Interviews
HunCo	Germany	18billion	100+	53	Conglomerate	49,000+	3-GMM Expat1, Expat2,
CatCo	France	40+billion	40+	16	Auto	150,000+	2-GMM, Expat
MitsCo	Japan	2 billion	100+	66	Finance	47,000	2-GMM, Expat
DriveCo	Japan	8 billion	200+	20+	Auto	200,000+	2-GMM, Expat
MokCo	France	4 billion	67	17	Auto	100,000+	2-GMM, Expat
RedCo	France	5 billion	22	100+	Infrastructure	14,000+	2-GMM, Expat
JonCo	France	3 billion	10+	20+	Defence	10,000+	1-GMM (Global HQ)
FarmCo	Denmark	841 million	100	61	Health	4,500+	1-GMM (Global HQ)
ITCo	US	100 billion	60+	30+	IT	300,000+	1-GMM (Global HQ)
InfCo	India	6 billion	100+	50+	IT	100,000+	1-GMM
AmCo	Brussels	6+ billion	10+	50+	Chemicals	14,000+	1-GMM

CosCo	US	9+ billion	50+	80+	Retail	30,000+	1-GMM
FuelCo	England	6+ billion	31	7	Oil/Gas	20,000+	1-GMM
MotoCo	Germany	40+ billion	100+	31	Auto	500,000+	1-GMM
FinCo	Japan	3 billion	75	40	Banking	37,000+	1-GMM
GenCo	Germany	90+ billion	58	9	Electric	50,000+	1-GMM
TyrCo	US	12+ billion	50+	20+	Auto	60,000+	1-HRD
FundCo	US	4 billion	60+	20+	Finance	10,000+	1-GMM

Table 17: Minor Case Study Companies Interviewed; Total companies=18, Total interviews=27

In total, apart from the four major case studies, interviews were also gained in eighteen other MNCs from various countries. Across these companies, a total of 27 interviews were gained. While the majority of the interviews were conducted within the firms' UK headquarters, five interviews were conducted via telephone with GMMs who were based in companies' global headquarters. The numbers of interviews gained within each firm ranged between one and four. However, in all of them, an interview was gained with the GMM or HRD, who organised international management assignments across the MNCs' various subsidiaries. All of the companies, except one (PharmCo, Denmark) had AE managers based within the UK locations. In the following sections, the functions of international management assignments as outlined by the HRDs/GMMs and AE managers interviewed will be outlined.

8.3. Reasons for International Management Assignments

The following tables outline the various purposes for assigning international managers, as identified by various interviewees. Also indicated within the tables are the objectives related to interviewees' assignment purposes. These tables were organised according to the country of ownership as this allowed for the observation of potential institutional similarities or differences. Within the table, asterisks are used to mark the functions as identified by interviewees. Where there is more than one asterisk, the amount indicates the number of interviewees within the firm who identified the specific function. Having reviewed the data from the interviews within all the minor case study firms, it was found that the primary reasons mentioned for using international assignments was knowledge transfer and management development. Knowledge transfer in these firms involved a number of objectives including the dissemination of functional and HQ expertise, the acquisition of local subsidiary knowledge, language translation purposes, and knowledge facilitation. For management development, they were sent in order to gain international

experience, extend their career opportunities, and to develop their international leadership skills. Interviewees also indicated that AE managers were sent for the purposes of coordination and control, which involved overseeing the activities within local subsidiaries, standardising local processes, and socialising local managers. Below in the following tables can be found a brief explanation on how companies utilised these assignments. Unlike the major case study firms, only the role mandates were listed in this table, rather than the AE managers interviewed within these firms.

Companies Assignment purposes, Role mandates	MokCo (IMs: 17)	CatCo (IMs:8)	JonCo (IMs: 6)	RedCo (IMs: 4)	AmCo (IMs: 25)
Knowledge Transfer					
Provide HQ/external view	**	**	*		*
Gain local knowledge	**	**		*	*
Transfer specific skills	*	**		*	*
Language translation/improvement	**		*	*	*
Succession Planning	*				
Management Development					
Progression/Opportunities	*	**	*	*	*
Int'l Experience	*	**	*	*	*
Leadership Skills	*	**	*		*
Coordination, Control					
Standardisation	*	**	*		*

*Table 18: French Companies: assignment purposes and objectives
(IMs: International Managers in UK)*

In total seven interviews were gained across the five firms included in the above table. Five of these were with the HRDs/GMMs, while two were with AE managers based within the companies' UK head offices. All of the firms were of French origin, however while the global headquarters for the majority of these firms were located in France, one firm (AmCo) was headquartered in Brussels. The HRD within this firm's UK head office explained that this was the result of a recent global acquisition. Within the firms interviewed, all of the HRDs/GMMs stated that AE managers

were sent for a combination of reasons of the above listed reasons. However, the number one reason cited by these firms was management development, stating that providing global leadership experience was the key objective when sending managers abroad.

Companies Assignment purposes, Role mandates	MokCo	FinCo	DriveCo
Knowledge Transfer			
ProvideHQ/external view	**	*	**
Gain local knowledge	**	*	*
Transfer specific skills	*	*	**
Language translation/improvement	**	*	*
Management Development			
Progression/Opportunities	*	*	**
Int'l Experience	*	*	**
Develop Leadership Skills			*
Coordination, Control			
Standardisation	*	*	*

Table 19: Japanese Companies: assignment purposes and objectives. (Number of AE managers in UK unconfirmed)

As the above table indicates, interviews were gained within three Japanese firms. Across these firms four individuals agreed to be interviewed, including three HRDs and one AE manager. Similar to the French firms, interviewees all indicated that managers were sent in order to transfer knowledge, develop global leaders, and coordinate and control global activities. Managers' role mandates included providing an HQ perspective, gaining local knowledge, transferring specific functional/technical expertise, and language translation. Their management development role processes included identifying career progression opportunities, gaining international experience, and developing leadership skills. Finally, AE managers' primary coordination and control role was the standardisation of local processes to ensure alignment with companies' global headquarters.

Companies Assignment purposes, Role mandates	MacCo	ITCo	FundCo	TarCo
Knowledge Transfer				
Gain local knowledge	*	*		*
Transfer specific skills	*	*	*	
Management Development				
Progression/Opportunities	*	*	*	*
Int'l Experience	*	*	*	*
Develop Leadership Skills				
Coordination, Control				

Standardisation	*			
Institutional shaping	*			

Table 20: US Companies: assignment purposes and objectives (Number of AE managers in UK unconfirmed)

A total of four US MNCs were interviewed. These included a tyre manufacturer (TyrCo), an investment firm (FundCo), a computer firm (ITCo), and a Cosmetics firm (CosCo). No expatriate interviews were gained within these firms, however an interview with the global mobility coordinators within the UK head office of each firm was arranged. Based on these interviews, the primary reason for using international assignments was for management development purposes. These roles included identifying career progression opportunities, gaining international experience, and developing leadership skills. As with the other minor case study firms mentioned, these roles were performed in conjunction with other expatriate functions, including knowledge transfer, and coordination and control. The knowledge transfer role processes mentioned by AE managers included providing an HQ perspective, gaining local knowledge, and developing global leaders. The coordination and control role processes mentioned by interviewees included standardisation of local processes, and shaping the local institutional system to suit the needs of the specific company.

Companies Assignment purposes, Role mandates	HunCo (IMs=5)	CarCo	GenCo
Knowledge Transfer			
ProvideHQ/external view	***	*	*
Gain local knowledge	***		
Transfer specific skills	***	*	*
Create Communication Channels	***	*	
Management Development			
Progression/Opportunities	***		
Int'l Experience	***	*	*
Develop Leadership Skills	***		
Coordination, Control			
Standardisation	**		*
Socialisation	**		

Table 21: German Companies: assignment purposes and objectives

The above German firms interviewed included a brand manufacturing firm (HunCo), a car manufacturing firm (CarCo), and an energy firm (GenCo). Within HunCo, three interviews were gained, and included the GMM within HunCo's German headquarters in Dusseldorf. Other

interviewees were the Head of Marketing within the UK head office, as well as the UK-based HRD, who in addition to organising international assignments was also an expatriate manager. The GMM and the HRD stated they were 500 expatriates assigned across the globe, but only five expatriate managers were assigned within the UK head office. These individuals stated that managers were assigned to their UK locations for primarily management development reasons. Other reasons included knowledge transfer and coordination and control purposes. The GMMs within the other two firms indicated that management development was also a key reason that expatriate managers were sent abroad, but that knowledge transfer was also very important. The various role processes involved in these roles included providing an HQ perspective, gaining global knowledge, transferring key skills, creating communication channels, enhancing career progression, gaining international experience, developing leadership skills, standardising local processes, and socialising local managers. More about these roles will be explained further in this chapter.

Companies Transfer Purposes	FuelCo (England) (IMs=15)	InCo (India) (IMs=500+)	PharmCo (Denmark) (IMs=0)
Knowledge Transfer			
Provide HQ/external view			*
Gain local knowledge	*		*
Transfer specific skills	*	*	*
Create Communication Channels		*	
Management Development			
Progression opportunities/succession planning	*	*	*
Int'l Experience	*	*	*
Develop Leadership Skills			*
Coordination, Control			
Direct personal control			*
Standardisation			
Socialisation		*	
Global delivery model:			
Customer service delivery		*	
Managing business support frameworks		*	

*Table 22: Other Countries-England, India, Denmark
(IMs=International managers in the UK)*

Within the three above-mentioned organisations, no interviews were gained with AE managers, however the GMMs within these firms all agreed to be interviewed. Within FuelCo, there were, at the time of interviewing, fifteen AE managers based within the UK. There was significantly more

expatriate use in InCo, with over five hundred expatriates in the UK location. The use of international assignments within this company was directly influenced by the structure of the firm. This technology firm utilised a global delivery model of business, and hence expatriates were their primary means of meeting the needs of their global clientele. With the global delivery model, organisational projects were delivered by globally distributed team. As a result, more than forty percent of the company's population was made up of expatriates. When asked about AE managers specifically, ITCo's GMM indicated that these assignees were sent to the UK to interface with the firm's clientele in the form of consultants and business support managers. Apart from their customer-facing roles, expatriate managers who were sent from this company were also used for a mixture of knowledge transfer, management development and control purposes. Within the third company, PharmCo, no AE managers were based in the UK at the time of interviewing, but similar to the other two companies, this firm stated that when managers were assigned there, it was typically for different reasons including knowledge transfer, management development, and coordination and control. This involved the transfer of key expertise, developing international experience, and ensuring standardisation and alignment of local policies with the global headquarters. The various roles outlined in the above table and other tables listed will now be explained further under the sections below.

8.4. Assignment Objectives and Role Processes

With regards to knowledge transfer, the various companies interviewed outlined a number of role objectives, which involved knowledge dissemination, knowledge acquisition, knowledge facilitation, and knowledge adaptation. These mandates included the transfer of key functional and technical expertise and or an HQ perspective, the acquisition of local knowledge regarding local best practices, the translation of language and improvement of language skills, and the creation of communication channels between offices. Each of these roles will be examined further below, highlighting responses of interviewees across the various minor case study firms interviewed. Each section will outline interviewees responses in line with the tables presented.

8.4.1. AE Managers and Knowledge Transfer

8.4.1.1. AE Managers and Knowledge Dissemination (KD)

Eighteen of the managers interviewed, stated that one of the key knowledge transfer roles that were

performed within the UK was the dissemination of knowledge. Within the French firms, interviewees stated that where AE managers' roles involved such knowledge dissemination, this primarily involved the transfer of both tacit and explicit knowledge, in the form of functional and technical expertise and managerial know-how. Interviewees in these firms all agreed this was key within the UK context as there was a shortage of specific expertise within certain disciplines. With the manufacturing and logistics firms (MokCo, CatCo, RedCo), this particular need tended to be in the engineering division. Within another firm, JonCo, the Global HRD who was based in the company's French headquarters (HQ) stated that the particular skill that was currently in shortage within the UK was in the area of road transport. This manager stated that prior to 2010 this was not a problem as the company had employees with this particular skillset. However, when these employees ceased employment with the organisation, it was unable to find other individuals within the local setting with this particular skillset. About this she said:

“At some point in 2010 time-frame, we had no more overland skills in the UK. So we had to recruit some people from not only, especially from the HQ but also people that were located elsewhere than France who had these skills in order to rebuild the Overland UK activities”

- Global HRD, JonCo

As this was a logistics firm, these skills were of great significance to the organisation and hence it was important to make sure that such skills were sourced and operationalised as soon as possible within the company. The manager above also alluded to the importance of recruiting internally for this post, as they required that the selected individuals would also possess company knowledge. Where managers were sent to the UK for their particular skillset, these assignments could last anywhere between two to five years. Another functional area where skills were often needed and AE managers were preferred was in finance. Within the automobile firm, CatCo, the Rewards Manager who had the remit for global mobility confirmed that this was often the case when assigning managers to the UK head office. Outlined below are comments provided by the GMMs/HRDs within four of the French firms, when asked about the use of AE managers for knowledge transfer purposes:

“We have sent them because they have got a particular skill and equally we have received people because they have got a particular skill. So for example we had a shortage of financial controllers so we have got a lady from China but she lived in France...so that was a key role”

- GMM, CatCo

“It depends on the particular business need, if there is a particular need for use developing a new site or new product or strategy. It depends very much on what’s happening at the time, although we try and match that with the development needs for the individual as well... with people knowing the group and the business people could get up to speed a lot quicker than hiring an external person.”

- HRD, RedCo

“The main reason is the skill shortage within the UK which means we have to bring people in. This is usually in the area of electrical engineering. The majority of expatriates come from within this department.”

- AmCo, HRD

“It will either be a skills gap for us, usually at a senior level, or a need to acquire skills for them. We will occasionally get somebody from France contact us and say look we want to place this person; can you accommodate them”

- GMM, MokCo

With regard to finance, all of the above interviewees reiterated their firms’ preference towards having this particular function filled by an expatriate manager because of the need for compliance and close alignment with specific disciplinary standards. They emphasized that trust was also another key factor in their organisation’s decision. Some also explained that it was not always that the UK environment was lacking in individuals with financial qualifications. In some instances, their firms preferred to assign expatriate managers to their UK headquarters to avoid a delay in the assimilation of a role that was deemed to be of particular strategic importance. In the first of the five quotes listed above, the ‘lady from China’, who also agreed to be interviewed, stated that this was among the reasons that she was assigned to the financial division within CatCo’s UK head office. She had been with the firm for nine years and said this about her assignment to the UK:

“Either on the local market there’s no such competency or either we see other obstacles in using these competencies... So for example in (Unit1) or (Unit2) where we have issues with turnover that people...they stay and then they leave. So in these circumstances from the HR point of view they prefer to have a more stable resource”

- Financial Comptroller, CatCo

The above manager further explained that during her time in France, she was successful in managing several large budgets and projects, and hence had been selected because of her accumulated financial expertise. GMM/HRDs in the other three firms agreed with her sentiments, stating that the use of an AE manager was often for this reason. In addition to this, when MNCs sought to establish a new plant overseas, the assignment of headquarter managers allowed the company to achieve this in a shorter space of time as these individuals were already familiar with company practices and thinking and hence required little training. Outside of the UK context, this was also particularly important as companies expanded into less familiar geographical areas. About this one manager stated:

“They contribute because for a company growing internationally especially in these geographical areas where there is a business to be made, for example, Brazil, Argentina, Chile on the one side and Eastern Europe on the other side and then we have Asia. In order for use to grow we need to have the right skills in the right place at the right time to meet our customer demands.

– Global GMM, JonCo

Several other interviewees identified the above countries as key growth areas, which were helping to drive international assignment use within these organisations. As indicated, transferred knowledge was both tacit and explicit in nature. Interviewees explained that where difficulty was being experienced with specific new processes that were introduced, AE managers, who had significant company experience, helped to explain at a local level what was expected by the global HQ. In addition to providing key organisational insight, however, the process of position filling and knowledge dissemination by AE managers also overlapped at times with their management development needs. Some GMMs explained that at times where an individual at local level was

moving out of a particular position, the company's global HQ would sometimes request that the position be filled with a specific employee from head office. This was to provide international experience for an employee while fulfilling the particular business need at a local level. Below are the comments of the GMM and HRD in the companies, MokCo and RedCo when asked to explain this further:

“So it tends to be where we have a gap in a particular level then we have people come in and then it becomes part of career development...the need is ours but then the person is identified because it's a career development role then for them so it tends to be on that angle”

- GMM, MokCo

“It depends on the particular business need, if there is a particular need for use developing a new site or new product or strategy. It depends very much on what's happening at the time, although we try and match that with the development needs for the individual as well.”

- HRD RedCo,

Indeed, all interviewees indicated that, where possible, their companies would often seek to facilitate the individual development needs of managers while filling a position in a foreign location. Within the Japanese firms, there was also some emphasis on knowledge dissemination, particularly with regard to the transfer of specific organisational business models. However, unlike many of the other companies whose expatriates came from various units around the globe (including the global headquarters), the AE managers sent from the three Japanese companies interviewed came primarily from their companies' Japanese headquarters. Within in Finance firm MitCo, there were twenty-eight AE managers within the UK office at the time of interviewing. The HRD within this firm stated:

“We only have expats coming in one way and that's from the Tokyo HQ in Japan...All from Japan. Most are Japanese, one US national but he works for home location”

- HRD, MitCo

This manager explained that this influx of PCNs was a common occurrence within MitCo. The average length of international management assignments within this firm was between three to four years. The majority of these were coming into functions including finance and what was described as ‘structured business’ where they would conduct business with Japanese clients in coordination with one of the company’s other business units. More about assignees’ structured business will be discussed under expatriates’ coordination and control function later in the chapter. Within FinCo, the GMM in their London-based EMEA (Europe, Middle East and Asia) headquarters stated there were about ninety expatriate managers in this location at the time of interviewing. These managers operated at middle to senior management level and typically stayed for a period of two years before being assigned elsewhere.

The process of knowledge dissemination was also a key part of AE managers’ knowledge transfer role within all of the US firms interviewed. Within MacCo, there were fifteen expatriates based within the UK and the HRD stated that many of these were involved in the transfer of key skills to their UK location. The number of expatriate managers in the other three firms could not be confirmed, however HRDs/GMMs in these firms stressed that they depended primarily on expatriate managers for this purpose. About this role, interviewees within these firms made the below comments:

“Most assignments are generally for two years although we do have a few shorter assignments. They are usually between 6 months to a year and used to fill a skill gaps where we might have vacated a role and have not yet been able to fill it.”

- HRD, MacCo

“There is also a strategy for a knowledge transfer strategy where we bring people from the best four businesses”

- GMM, ITCo

The reasons highlighted above coincide with the sentiments previously expressed by HRDs/GMMs across the different minor case study firms. The HRD in CosCo also stressed, however, that it was not just about the transfer of knowledge to the local subsidiary, but also to the local environment in order to ensure that the company had a local supply of skills that it could

draw upon in the future. She provided an example of this:

“For example in [unit name and location] we really had to penetrate leadership development in that markets the locals couldn’t develop the market. This quickens the running of operations as you don’t have to wait on locals to be trained. Also it develops the local subsidiary.”

- HRD (CosCo, US)

This manager stated that these assignments typically lasted about two years, and that individuals who were sent for this purpose were usually employees with ten to twenty years of experience in the MacCo product market. A similar sentiment was expressed from the GMM in the major case study firm MedCo, who stated that managers helped to disseminate and develop the required skills within the local setting. Within the company ITCo, the GMM explained that she was responsible for the international assignments within the EMEA region. At the time of interviewing, there were twenty-eight long-term and twenty-five short-term expatriate assignments within the UK. About the assignment of managers to the UK, the GMM stated:

“Actually we ask them to go but at the same time we do not do that for their professional development it is because we need to either skill them or that their skills are needed”

- GMM, ITCo

The GMM in this firm also stated that at times shorter-term assignments were also used for this reason, however these individuals often operated at a lower level. In addition to transferring specific skills, many GMMs/HRDs also indicated that expatriate managers were often assigned to bring an external and more global perspective into the foreign location. Within the German firms interviewed, the HRD in HunCo’s UK head office, and who was also AE manager indicated that this was among the general reasons that managers were sent to the UK location. A primary aim of his firm when using such assignments was to provide the local branch with a more global perspective. About this, he stated:

“Somebody coming in from another country may bring totally different ways of thinking, new ideas, and other ways of doing things that have been in practice, which generates a

kind of more of new creative environment with some ideas. Because if I am sitting on the local board and I have a totally different view than would have my predecessor this may create a different dynamic in how we run the business, how we do projects”

- GMM, HunCo UK

The transfer of such tacit knowledge worked in both directions, as managers also benefitted from local expertise, as will be discussed further in the upcoming section on knowledge acquisition. The sentiments of the above interviewee were echoed by other GMMs in the firms interviewed. Within the German Automobile firm, MotoCo, the GMM explained that AE managers helped facilitated greater understanding of the objectives being issued from the company’s global headquarters. She commented:

“If there is a struggle understanding the rationale of something that is being transferred from HQ to here then having somebody who has worked with the HQ in Germany who understands how they work can really help us here and help us gain understanding the relationships we've built.”

- GMM, MotoCo

This GMM reiterated how useful it was to have somebody within the branch who was familiar with headquarters, to build relationships between various branches. She also stated that this was a priority for expatriates as there was a clear strategic need to obtain knowledge, to have support for a project, or implement specific home country policies/practices. This, she stated, allowed for better communication and understanding and greater efficiency across the group, as managers were on site to explain particular procedures in detail. Moreover, they could demonstrate specific home office processes for the benefit of employees within the local subsidiary. Among the other firms that were interviewed (FuelCo, InCo, FarmCo), the GMMs interviewed stated that expatriate managers were also engaged in the transfer of such tacit knowledge. Within InCo, the GMM stated that AE managers were used to transfer the company’s headquarters culture and way of thinking. This particular company had over five hundred managers assigned within their London-based head office. This high volume of expatriates used by this Indian firm was related to its organisational structure as stated previously. With regard to the use of AE managers to transfer knowledge to this

UK office, the GMM explained that expatriate managers were better equipped to transfer specific organisational knowledge because of their experience in the firm. This interviewee stated:

“InCo is a very strong culture and there is a lot that goes behind it. Like specific knowledge so it's to bring back that knowledge and help working with the Indian persons smoothly rather than getting a person from outside who will be a bit clueless about how we work so from that point of view. If we have expats in the non-client area, it is to smooth things and bring the InCo knowledge over”

- GMM, InCo

This reflected the views of the previously mentioned French firm, CatCo, where at times AE managers were preferred in order to operationalise specific functional roles much quicker. In the company, FuelCo, the GMM stated that knowledge dissemination was more focused on provided key technical expertise within the company's London head office. When sent to other global offices, knowledge dissemination was primarily for the purposes of training local employees. About this the GMM stated:

“Mainly technical roles so technical expertise, team leader, manager, senior management level... It's typically we're sending specialists to certain locations. Brief for those going out is to train up locals and then leaving these to run the company. It can also be in the finance department but its normally technical expertise, engineering and so on.”

- GMM, InCo

The sentiments coincide with the previously outlined comments from other GMMs/HRDs, who stated that when managers were sent to other foreign locations, it was typically to cultural or institutional settings that varied significantly from the firm's home country. The following section will examine in more detail the role of AE managers in identifying and acquiring knowledge within the local environment.

8.4.3.2. AE Managers and Knowledge Acquisition:

The transfer of knowledge by AE managers occurred in more than one direction, and hence the acquisition of knowledge from local subsidiaries was also a significant remit of those managers who were assigned globally. This knowledge varied in nature, however all of the companies interviewed stated that assigned managers were expected to learn about the nature of that particular

business as well as the local environment of the subsidiary. This objective fulfilled a mixture of organisational and individual developmental objectives, and often included gaining insight into functional or managerial best practices, or the perspective of local employees. It was the same when these companies assigned managers to other locations around the globe. Outlined below are a few comments from some interviewees within the French MNCs regarding the acquisition of local knowledge:

“The people who go on secondment were normally senior managers who were potentially going to take some of those senior roles very soon. So it was deemed essential that they got international experience and predominantly in France, a bit of that was probably to understand how the group operates as well as to gain experience.”

- GMM, CatCo

“So it’s likely that a person is gaining more experience by going to different countries and realising the country does this, in this country they do that, and to try to put the best parts together. And this is benefit for the company and also benefit for the individual and it will help him in his career.”

- FC, CatCo

The comments above highlight the dual nature of this particular knowledge objective, and also indicates its close link to AE managers’ management development function. Within the UK context, interviewees stated that assigned managers were often sent to acquire information and insight about a specific product line or working process in the local office. Within the German firms, interviewees agreed that this was also a key priority, and helped to lend new insight to functions at the level of headquarters. Comments from some interviewees in the companies, HunCo and AdCo, included the following:

“There has to be a clear strategic need for the home country and the host country; for the host country to obtain knowledge, have support with a project, to implement something and for the home country to have an employee who comes back with enhanced and developed skills and will fit back into the organisation”

-HRD, AdCo

“Also management thinks that maybe also something new since recent years, makes allot of effort to go to different countries and the different site on a very regular basis...they are not sitting in their ivory tower just reinventing the wheel once more. But they are going out every day to the countries to the different regions to the businesses to understand better how it is out there.”

- HRD, HunCo

“One of the most important differences is the way how to work and the way the cultures are approaching different problems. German guy is exercising and challenging the target completely different than the French one or the Italian one. Yeah I had to adapt my leader style my management style to the new world.”

- AE Manager, Marketing, HunCo

The AE manager above also explained that by sending individuals abroad, they could identify possible best practices within the local office, as well as understand the rationale behind particular decisions that were taken at a local level. From a business perspective, organisations looked forward to the possibility of identifying potential sources of opportunity or competitive advantage within the local setting. Managers explained that it was a mutually beneficial exchange for all parties involved, these being the AE manager, his/her home office, and the subsidiary in which the assignment was based. From an individual perspective, the majority of interviewees stated that it was important for managers to gain product specific knowledge, identify where possible innovative organisational/managerial practices within other units, and an understand how to manage employees across different cross-cultural settings. More about the latter will be discussed in the section dedicated to management development.

Within the US organisations, AE managers also engaged in this type of knowledge acquisition. While some organisations stated that this objective was primarily based on the need to expand the global experience of company managers, others stated that it was mainly focused on the business need. Below are the comments of the GMMs within the firms CosCo and ITCO with regard to this assignment objective:

“We also tend to share and exchange resources within and between our global and local markets so now there is more of an inward and outward flow of knowledge”

- GMM, CosCo

“We do have allot of moves where actually we ask the employee to move because they are on a succession list because we want them to gain experience in another region because it is something that we want...They would use the information or they would get trained or go to a next client but it’s not for their own professional development... It’s more for the development of the organisation.”

- GMM, ITCO

The GMM from ITCO stressed that while manager gained international experience here, the focus was not on their professional development, but rather they hoped that managers would use the information gained and disseminate to other colleagues upon their return. Knowledge gained from the local environment also facilitated better client interaction when AE managers returned or moved on to their next assignment. This was because managers by that stage would possess a greater understanding of the needs of their global customer base and how to better interact with these individuals.

Where managers were sent for professional and organisational development, they typically operated at a higher level, and in some cases were assigned on a shorter term basis. In the Japanese firms interviewed, gaining an understanding of employee practices at a local level was particularly important according to interviewees. The GMMs/HRDs in these firms stated that it was important for firms to gain a more local perspective of the business. The AE managers who were sent helped to provide their home offices with a different view of the specific business area. Within these firms, managers were typically assigned from the home office of the MNC in Japan, except in DriveCo where managers were also assigned from European subsidiaries to the UK-based regional headquarters. About the acquisition of knowledge within the local environment, the GMMs in these firms had the below to say:

“We want individuals to take back the experience that they have gained here so taking the local view into the HQ and also the other way around. Some people don’t understand how the HQ works and how some decisions are made.”

- GMM, DriveCo

Their assignment here is that Tokyo expects them to bring back the knowledge, what other offices are doing in terms of the management style and culture. I wouldn't say everything will suit Japan but it's something that opens eyes."

- GMM, FinCo, Japan

While knowledge acquisition was an important function across the various firms interviewed, bringing UK knowledge back to the company's home environment was particularly emphasized within the Japanese firms interviewed. Within the financial firm FinCo, the GMM went on to explain that this role process was a key objective for managers who typically operated at a middle management level and who, in addition to gaining an understanding of the local business, could also add value to the UK business. These sentiments were echoed by the GMM in the two other Japanese firms. Within DriveCo, the GMM stressed that international management assignments were a mean through which the headquarters could identify new forms of knowledge globally. He reiterated the reciprocal nature of the knowledge transfer process, with several parties benefitting from the exchange process. Interviewees also stated that acquired knowledge would also be passed on further, either to the colleagues of the manager upon returning to his home office, or to other global colleagues across the globe, if the manager were assigned to another subsidiary unit upon completing the UK assignment.

Within the firm InCo, knowledge acquisition by AE managers was concentrated on gaining local knowledge that would lend to a better understanding of the company's geographically dispersed clientele, by the global headquarters. The GMM in the London head office indicated, however, that the objective of such assignments was balanced between the business needs and individual development needs. She commented briefly on this:

"It is seen as a career opportunity so it's a very prestigious thing. Also the knowledge which you bring back, you are expected to share with other people."

- GMM, InCo

Similar to the Japanese firms, AE managers from this firm were predominantly sent from the firm's

headquarters in India, with a smaller number coming out of other global offices into the UK. These managers typically worked closely with two delivery managers, one in the local office, and one in the home office, to whom they would interface with regularly in order to feedback key knowledge about the company's UK client base. This was one of the few companies interviewed, who indicated that they had put formal mechanisms in place to manage the acquisition of expatriates' knowledge between subsidiary units.

In the English firm, FuelCo, AE managers' knowledge acquisition role was primarily focused on gaining a deeper cultural understanding of the country in which managers were assigned. It was explained that such knowledge facilitated better team-working within the organisation. About this, the GMM stated:

“So gaining a global perspective, understanding a different way of working and being able to work with a multi-cultural multinational teams and just recognising that you may need to tackle a problem in different ways depending on where you are in the world just having that sort of awareness to be a bit more flexible and obviously appreciate the environment.”

- GMM, FuelCo

These sentiments were echoed by GMMs and AE managers interviewed in the majority of the minor case study firms. These included the Danish firm, FarmCo, who, while not having any AE managers within the UK at the time of interviewing, utilised international management assignments in other global locations for a similar purpose. The majority of expatriate managers within this company were currently assigned to Australia, with others were spread across Europe, Asia, and the US. The GMM within this firm stated that there was no current need for AE managers in the UK but that there was a currently demand for these assignments. About the use of these managers for knowledge acquisition, this interviewee stated:

“It's important for PharmCo to have knowledge of what is going on in all countries and to make sure that there is a new way of doing things so that is part of the strategy.”

- GMM, FarmCo

As with other firms, this role served both individual and organisational needs and the interviewee

also explained that these international management assignments also provided global experience for high-potential employees. The following section will move on to consider the role that AE managers played in the facilitation of knowledge between units according to interviewees.

8.4.3.2. AE Managers and Knowledge Facilitation

Many interviewees stated that AE managers also played a crucial role in ensuring communication and smooth transfer of knowledge to and from their companies' headquarters and global dispersed units. According to interviewees, these managers facilitated knowledge transfer in several ways, including acting as a conduit between two or more MNC units, through which knowledge could be passed back and forth. In addition to this, AE managers also aided in the clarification of key information by acting as translators of language and or organisational policies and procedures. With regard to the use of AE managers from language translation purposes, this was a priority primarily within the Japanese firms and some of the French firms interviewed. The comments below are from interviewees within AmCo and MitCo:

“So I think it's a way of broadening the person's personal skills and sometimes depending on the country their English language skills is very important for them.”

- HRD, AmCo

“I think because that's the way it's always been and also the fact that the VA is on site with the head office and needing to know Japanese and that head office liaison may have been an issue.”

- GMM, MitCo

Regarding the first of the above comments, the HRD in AmCo explained that sometimes managers were sent to the UK from the French headquarters and other non-English speaking global units in order to improve English language skills. By being based within UK subsidiaries, high-potential employees were given the opportunity to interact with English-speaking local employees and develop and practice their English language in a natural setting. By doing this, they also had the opportunity to clarify local 'slang' or become familiar with the less formal aspects of the language, which helped with the fluency of conversation between colleagues in the UK and the company's French headquarters.

Within FinCo, AE managers were sent primarily from the company's headquarters in Tokyo because of their fluency in Japanese. As indicated by the second comment above, these managers were necessary in the UK context in order ensure that the company could better liaise with its Japanese clientele within this region. This manager explained that there were few managers within the UK head office that spoke Japanese or that were interested in learning. This at times presented difficulties within this UK office when interfacing with the Tokyo-based headquarters or negotiating with Japanese customers within the region. This issue was also present within the firm MitCo, who used AE managers for the same purpose. Where AE managers were not used, another strategy that the company was employing to get around this difficulty, was to hire British-born Japanese employees, as they not only grew up in the UK culture and context but were also fluent in Japanese and familiar with Japanese culture. About this, the GMM stated:

“Another thing is that we hire local staff who are Japanese because there is so much liaison with head office so it just makes sense, and that's someone who is completely fluent.”

- GMM, FinCo

The manager explained that this was a less expensive option for the company, although these employees were hired at a lower level. Even with this option, AE managers were still necessary because of their significant experience of working within FinCo's headquarters. Within the other non-English speaking MNCs interviewed, the GMMs/HRDs indicated that AE managers were also sent to facilitate better communication between employees in the UK headquarters and the company's globally dispersed clients by learning the local language. Individuals sent for this purposes were often middle-level managers, who also possessed a considerable amount of functional and organisational expertise. In MokCo, managers who were at a more junior level, and who were based in the global headquarters or other non-English speaking subsidiaries, were also sent to UK subsidiaries in order to improve their English language skills as this was often the language adopted for the company's global business. Upon improving their English language skills, they might then move on to other assignments around the globe or return to their home office and develop communications between the UK subsidiary and their home offices. This was done either by acting as a translator between the two offices, or by building relationships between home office and UK-based employees. The GMM in this company also highlighted how changing

business conditions helped to influence the use of managers in this way. This interviewee stated:

“So far we’ve got allot of expansion in India and China and so they [international assignees] might be going on to roles there. They come to learn the job properly and to improve their English language skills while they are here and then they are sent out”

- GMM, MokCo

In such cases, the GMM would be contacted by a GMM within the home office of AE manager, and asked to accommodate and place this individual in the UK head office so they could benefit from the interaction with local employees. Aside for language purposes, AE managers facilitated knowledge in different ways. These assignees also helped with the clarification of policies being transferred from headquarters. By building relationships between colleagues from various offices, AE managers were able to create internal networks across different subsidiary units. As this also facilitated the organisations’ ability to enhance control across global units, more about this will be explained further in the section dedicated to coordination and control in this chapter. AE managers’ management development role will now be examined in the section below.

8.4.2. Management Development:

All of the interviewees within the minor case study firms stated that international management assignments were also used for management development purposes. Through these assignments, organisations could provide potential future leaders with global experience, enhanced leadership skills, and additional avenues for career progression. Many interviewees stressed the importance of this particular function, stating that it was more and more becoming the number one emphasis when assigning managers abroad. Interviewees’ responses on these objectives of management development will now be examined further.

8.4.2.1. AE Managers: Global Perspective and Leadership Development

Many of the GMMs/HRDs agreed that among the key reasons for sending expatriate managers abroad was to broaden their worldwide view. They stated that as the global environment changed and companies engaged in further internationalisation, it was important for high-potential

employees to have a more international perspective. As indicated previously, the majority of those interviewed stated that it was important to firms that these individuals understood that there was more than one approach to management across the globe, and that with different cultural and geographical settings often came different organisational assumptions and practices. Below are a few comments from interviewees within the French minor case study firms regarding the need to provide global experience:

“The people who go on secondment were normally senior managers who were potentially going to take some senior roles very soon. So it was deemed essential that they get international experience...not just in their country but another country”

- GMM, CatCo

“It is the main reason but not the only one...because we’re a global business it’s important that managers who want to become senior get some experience of working outside their usual culture if you like, so I think it’s a way of broadening the person’s personal skills.”

- Global GMM, JonCo

“They would be used for one of three reasons. Firstly, for developmental purposes so for the person to gain international experience.”

- GMM, AmCo

“It certainly would be an advantage for most people wanting to progress if they had that level of experience and that global vision and are able to operate in different cultures, certainly for the business commercial type roles.”

- HRD, RedCo

As indicated by the above comments, managers were able to gain experience and expand their cross-cultural management capabilities through undertaking international assignments. Regarding the first comment above, the GMM within RedCo went on to explain that managers who were sent on assignment were typically those who were identified to be ‘the next marketing director’, hence requiring development before taking on this role. When sent for this purpose, managers were

typically sent at middle management level, although some interviewees stated that their organisation was beginning to provide global experience allot earlier in managers' careers. The global GMM within JonCo's French headquarters explained that the idea of sending managers to a smaller organisational structure provided assignees with more responsibility as they were in charge of more organisational functions because of the size of the subsidiary unit. As a result, it also provided the chance for AE managers to sharpen their leadership skills.

While managers' assignments typically coincided with organisational needs, the GMM within MokCo explained that at times positions were created at the request of the global headquarters in order to provide a high-potential employee with global experience. About this, she stated:

"It could be again the development of that individual. So we have a few who are sort of middle management level that we could have filled with a UK person but we've been asked by HQ to put a certain person in. We had that with a couple of French guys and we have a Spanish girl in those types of roles. It's not that we can't fill them, it's just more for their benefit."

- GMM, MokCo

Based on this comment, this interviewee was asked about why the UK was chosen of these assigned managers as a place for their development. She explained that this was to allow managers could to improve their English language skills, as English was recognised as a global business language. The provision of such global experience and cross-cultural skills was also, in many of the firms interviewed, a pre-requisite for advancing in managers' careers in the organisation. More on the rationale behind this will be examined further in the section on career progression. Within the German firms interviewed, international experience was also seen as a priority. Some comments from interviewees in these firms are outlined below:

"They are also used for individual's development. It would be for maybe one to two years to give someone experience of working in a different unit so that really ties in with the talent and it tends to be middle-level managers."

- GMM, GenCo

“Talent development and succession planning: when a person is retired then there needs to be a successor. This person needs experience. HunCo wants all of their managers operating at these levels to have had a multi-country experience.”

- Global GMM, HunCo

“The view is that we are a truly global company, at least we are one that is becoming more and more global, and therefore we need people who do not only understand with all due respect the country they were born in and have always worked in.”

- HRD, HunCo

Similar to some of the French firms, these GMMs/HRDs also stated that they received requests from their company’s global headquarters to fill local positions with AE managers in order to provide high-potential individuals with experience abroad. This was a common occurrence within MotoCo, where the HRD stated that as she would sometimes receive requests from the company’s global HRM team to create a space in the UK head office and accommodate a home country manager in order to provide that individual with ‘international skills’. According to this and other interviewees, these skills consisted primarily of leadership skills and the ability to adapt to different cultural and organisational contexts. Within the companies interviewed, these assignments could last from anywhere between three to five years, although in some firms (e.g. MotoCo), more short-term developmental assignments were also used.

An interesting observation within two of the three German firms interviewed (HunCo, MotoCo) was that high-potential employees were also expected to gain international experience within at least two countries and across at least two organisational functions (e.g. Finance, HRM). The HRD within HunCo’s UK head office explained that such assignees were expected to understand not only the countries within which they were assigned, but also the regions within which these countries were based. This provided the AE manager with a broader experience, deeper understanding and appreciation for different and or new approaches to management and problem solving. Their success in this was also informally evaluated through their ability to provide further clarification and understanding at the global headquarters level, as AE managers could convey to their home country colleagues the reasons why particular challenges were being experienced

within the local setting, and how to address similar issues in the future. About this, this interviewee stated:

“You can’t be globally responsible if you haven’t seen the countries you are in charge of. And you have to go there and you have to see the customers and you have to see the employees and you have to know how it really is in that country. And not have the assumption that it’s probably the same anywhere in the world as it is in Belgium or as it is in Spain or as it is in China.”

- HRD, HunCo UK

The majority of interviewees has echoed this sentiment, stating that it was important for managers who were expected to be global leaders to have a wider view of management. It was the same within the US MNCs, where it was also a priority for managers who were seen as future leaders to gain some degree of global experience. Similar to some of the German MNCs interviewed, the GMM within the US firm CosCo stated that it was also deemed necessary within her organisation for future leaders to have had experience across more than one functional area. With regard to these assignments, she explained that those who were assigned for this purpose were typically senior general managers or heads of large functions. The HRD within the US car firm also explained the rationale in sending managers to specific countries:

“It’s about development of people and business needs. Different countries have different specialities and we use it a development and a business tool. We want an ROI when moving people.”

- HRD, TyrCo

Similar to previous interviewees, this HRD’s comment highlights the multi-faceted nature of expatriate roles. This GMM stated that the utilisation of managers for this purpose was linked to the company’s talent principle, which will be explained further in the section on career progression. Within ITCO, employees who were identified for global experience were also those on the companies’ succession planning list.

The practice of providing global experience across different functional areas was also observed in some of the Japanese firms interviewed. Within these firms, the provision of global leadership for future leaders was also a priority. Below are a few comments from the GMMs within these MNCs:

“The main assignment is to develop some people so they can take the experience back and use it in the home country. When the Japanese come here it is mainly developmental”
- GMM, DriveCo

“Basically as staff progress they are sent to other countries to gain more experience of different country, different culture and seeing what the business is like and then taking that back to HQ. It’s more about gaining that experience from overseas and then going back to HQ and using that to move forward.”

- GMM, FinCo

This was also the same within the Japanese company MitCo, where the GMM stated that the expatriate management population within its London head office was made up primarily of middle to senior level managers from the company’s Tokyo headquarters. Within this company, managers were not sent on assignment until they had reached a particular management grade and they had passed a specified exam. Managers who were assigned for management development purposes were typically sent from the company’s global headquarters in Tokyo.

Within the UK company, FuelCo, international management assignments were also used to provide future leaders with global experience. With regard to managers who were assigned from the UK locations to other subsidiaries in the EMEA region, these international assignments were typically made up of a mixture of junior level employees, who need more global exposure, and more senior level employees who were seen as the leaders of tomorrow. About this, he stated:

“You’re giving development opportunities to younger less experienced members of staff but also potential at the top end. There are various senior managers with the potential [to be] MDs or VPs for the organisation in the future so the opportunity to kinda really test their metal and because we’re a global organisation so there is the argument that you really need to know how to operate at a global level”

- HRD, FuelCo

When asked about the type of experience that these managers gained while abroad, this interviewee stated that this primarily consisted of understanding different ways of working and being able to work with multicultural teams. By sending managers abroad, they also gained an appreciation for the specific local environment, and became more flexible and adaptable to different cultural settings. The GMM within FuelCo stressed that while there was an accepted organisational culture, they did not want managers going to foreign offices and trying to enforce the 'British' way of doing things on workers. Rather, they expected that while embodying the company's corporate values, managers were expected to learn how to assimilate into the local culture. The ability to assimilate into the local culture was also highlighted by the GMM within the firm InCo, who stated that international assignments gave managers external exposure. This manager however stated that this was typically lower level employees, who were sent to work with project teams around the globe. Within FarmCo, though there were no AE managers within its UK location, the GMM stated that international assignments typically provided global experience for upcoming leadership roles.

In addition to the experience that managers gained from working in a foreign location, some of the GMMs/HRDs in the companies interviewed also explained that there were several organisational mechanisms that were put in place to support managers' development while on assignment. The level of development support offered, however, varied across the eighteen firms interviewed. The mechanisms used by companies, as mentioned by some interviewees, included in-person and online training workshops, and individual mentors. Some of the comments regarding the support offered are outlined below:

"There is a mentor, this is a part of the expat contract, in the home organisation. The idea of the mentor is that he should keep in contact with you and he should after two years be your eye in the organisation...and discuss it with me if it is something fitting in my career path or not...to open up opportunities.

- HRD, HunCo

"When the Japanese come here it is mainly developmental. No training provided for those from Europe. In some cases, some language training is provided.

- GMM, DriveCo`

“Honestly there is some online stuff going on but I am not really good at that. There was an online questionnaire which rate you on some criteria and rates whether you are let’s say pushy or how is your communication...and then you can talk to someone about it”

- Marketing Manager, HunCo

The third comment was from an AE manager in the marketing division of HunCo, who indicated that, while aware of the existence of supporting developmental mechanisms, he chose not to take them up. While some interviewees believed that these tools helped to facilitate assignee’s development, others indicated that these were not always necessary. For example, the HRD in the US cosmetics firm, CosCo, stated that rather than relying on such tools, more senior AE managers leaned on their own built up experience. When asked about support mechanisms, this manager stated:

“No usually they depend on their accumulated business experience. If we do meet cultural resistance in the local environment, then we introduce cultural training.”

- HRD, MacCo

The above comment indicates that while there were tools within this organisation to support managers on assignment, these were primarily used on a reactionary basis. In the following section, more about how assignments aided in managers’ career progression will be outlined.

8.4.2.2. AE Managers and Career Progression:

As stated previously, international assignments were often a necessity for high-potential employees to be promoted to higher positions. While not the case in every firm, some GMMs/HRDs explained that it was kind of an unwritten expectation for managers, who were deemed as future leaders, and wanted to progress within the company, to complete at least one international assignment. This was the case within the majority of the French firms interviewed. Below are the comments made by the interviewees within the some of these firms:

“I would say that generally people expect that they are getting a better position every time, which of course is only our expectations. So for me I am getting a promotion by coming over here. If I go back to the same work, that means that it does not work, something went

wrong then”

- Financial Comptroller, CatCo

“It opens doors for opportunities on their return so they are normally quite open to expatriation. If you look at most of our senior managers in the group, they have all been at some point on expatriation.”

GMM, CatCo

“It’s a prerequisite to being promoted above a certain level yeah...the idea is that they spend three years here and then they are ready for a more senior role.”

- Global GMM, JonCo

“It’s very rare that they go back to the position that they used to have before they came here because the idea is that they spend three years here and then they are ready for a more senior position.”

- GMM, AmCo

These managers and other agreeing interviewees were asked to elaborate further on how these assignments assisted with career progression. In RedCo, the UK-based HRD explained that completing an international management assignment not only helped to raise the profile of the AE manager, but also the profile of the group. Moreover, it provided managers with various career and developmental opportunities that they would have otherwise not been exposed to. Within this company, the global mobility system was tied to the talent management system, which meant that AE managers made up a select and highly skilled pool of employees who could be called upon should anything arise in the firm. It was the same within JonCo, where the company’s talent management scheme was closely linked to their global mobility program. Within CatCo, the GMM admitted that there were exceptions where individuals who had not been on assignment had progressed to senior management but that this was not common. Rather, she emphasized that these assignments helped future leaders to learn about various parts of the business. Once again the cross-over between AE managers’ various functions (e.g. knowledge transfer, management development) is highlighted.

In the German firms interviewed, international assignments were also necessary for managers to advance to more senior-level positions, Within HunCo, the UK-based HRD, who was also an

expatriate, explained that completing an international management assignment made high-performing individuals eligible for career development and progression, although it was stressed that managers completed an international assignment in at least two functional areas and two different subsidiary units before being considered for more senior roles (as previously mentioned). For example, the AE manager in this company's marketing division explained that it was the spirit of the company that managers should at least have worked in two other countries and two new business units in order progress in their career. He provided an example of this:

“For example, if you are in sales and marketing, you have to do either [business A] and [business B] or [Business B] and [Business C] and when you move you're flexible, of course you can also kill two birds with one stone. So you have to do it but that's also foreseen in the career track and purely from the career perspective.”

- Marketing Manager, HunCo

This was confirmed previous comments made by the UK HRD, as well as the firm's Global GMM in the Dusseldorf headquarters. The latter explained that in order to reach a certain level in HunCo, individuals must have completed a certain mixture of intercultural and inter-functional training, which she referred to as the 'triple tool concept'. The aim here was that managers experienced two jobs, in two different countries, and across two functions. This principle was built into the company's talent structure, and was also identified within the US cosmetics firm, CosCo. While the completion of an international management assignment was more of an unwritten expectation within some firms interviewed, it was formally built into this organisation's talent management programme. Similar to the German firm HunCo, the CosCo GMM stated that those dubbed as future leaders, were expected to complete more international assignments in two separate business areas. About this, she commented:

“Before they can take on senior roles, they have to have had experience in at least two countries. This is a requirement so if they don't do this then it restricts their upward career growth/movement. For such senior positions it is important to have individuals with different perspectives and who are open-minded.”

- GMM, CosCo, US

This GMM stated that this requirement was particularly important for those who would assume leadership of large organisational functions, particularly financial roles, in the future.

Within the Japanese firms interviewed, the development of parent-country managers was a key priority and function of international management assignments. In some of these firms, it was also a necessary prerequisite for global mobility. In the firm MitCo, the GMM explained that his company had a very detailed and hierarchical management structure, which consisted of seven staff grades. In order for a manager to progress to the most senior levels, they first had to complete an international management assignment. In order to qualify for this, managers first had to reach to grade five in their career. The GMM explained:

“Across EMEA we have grade 1, 2, 3, 4, 5, 6, 7... That way you can reach the equivalent of a grade five and when you’re promoted to five you have to sit an exam and you have an interview for grade five. If you pass that and are put into one of the different groups at that level, then you’re eligible to become a general manager and go overseas.”

- GMM, MitCo

This GMM explained that for the above reasons, managers assigned to the UK typically held very senior posts. He also stated that it took employees an average of ten years to reach such levels within the firm so managers who were selected for assignments had a significant amount of company experience. In many cases when sent on assignment, they occupied department-head roles and once they had shown that they could perform in a global role, they would normally be promoted to a more senior role upon returning to their home country. However, not all managers returned to the Japan headquarters immediately. The GMM in their London-based headquarters explained:

“There are two models from the Tokyo side. One is based on admin head-office staff and the other is sort of a career path where people expect to be placed overseas on a number of different occasions so it could be stationed from Tokyo then going back to Tokyo or it could be from Tokyo then going on to another office overseas before going back to Tokyo again so the patterns vary in that way.”

-GMM, MitCo

This GMM provided an example of a Japanese manager who was approaching the end of here assignment at the time of interviewing, and who would be going on to another subsidiary unit in Switzerland before returning to Japan. About this particular manager, the GMM explained that the new assignment would be a completely different function from that performed within the UK head office. With regard to expatriation and career progression, below are the comments from other companies interviewed, who also indicated that international management assignments were, more likely than not, a necessity for progressing within the company:

“We want an ROI when moving people. The people that are getting transferred are high potentials and that’s the kind of person that would be looking for avenues for change promotions and assignments.

- HRD, TyrCo, US

“Our company sees coming on site as an opportunity to further your career we would expect that once you've had opportunity and exposure on site to actually move back and move to another role rather than stay on the ground and continue doing the same role.”

- GMM, ITCO, India

With regards to promotion there is no set rule saying that you have to have done an assignment but when coming on to the very senior roles then having done an expat assignment would be viewed more positively but within the UK we don't have such limits.

- HRD, AdCo, Germany

This was the general sentiment expressed by the majority of interviewees. While some firms stipulated within their talent management principles that international management assignments were a pre-requisite for reaching higher management levels, other firms indicated that while this was not overtly expressed within any expatriate policy or contract, it was expected of future organisational leaders. The following section will move on to examine AE managers’ coordination and control function within foreign subsidiaries.

8.4.3. Coordination and Control

Similar to the two previously outlined functions, the emphasis on coordination and control across the eighteen companies varied significantly. This was with the exception within one function, that being finance, for which all interviewees indicated that expatriate managers were usually assigned. Interviewees stated that it was important to ensure that there was alignment of financial reporting across all company units. It is important to note, however, that while information was offered freely about the other two functions, much less details was offered about this particular role by GMMs/HRDs. In some cases, it seemed that managers were wary of communicating that themselves or their firms were in any way unwilling to adapt to the local subsidiary environment, or that there was any kind of internal tensions. What responses were provided indicated that where managers were sent for this purpose, it was primarily to ensure alignment and coordination of global activities, or to embed the organisational culture within the local subsidiary. Each of these role processes will now be examined.

8.4.3.1. Alignment/Coordination of Global Activities

Some interviewees stated that where their companies sent managers on assignment for control purposes, this occurred for a number of possible reasons. Among the main reasons expressed was when organisations had acquired or merged with a business within the local subsidiary environment. For example, the German firm HunCo had created its UK presence through a series of acquisitions. Hence the company's headquarters needed to ensure that any new businesses and its organisational processes were integrated into the company's overall organisational structure. Control was also focused around reporting the financial results of the various subsidiaries to companies' headquarters in the home country. Below are the comments of some interviewees who stated that AE managers were also used for this or a similar purpose:

“Over the recent years we have been moving structure where we were very country organised to a structure where we are far more globally organised. So we have set up shared services centres. So this is generating allot of change in the day to day in the way you do your work and how HR does its work. So this is a dramatic internal organisation change which needs to be run properly and executed without too much disruption.”

- HRD, HunCo

“France is going to tell all the countries to adopt the same practices. So that means that the UK company will not have full autonomy in their decisions and for some decisions they will need to go to the headquarters and prepare the files in a way that HQ wants and prepare the arguments in the aspect that HQ is expecting.”

- Financial Comptroller, CatCo

“We’re very much a French company. We’re divided into what we call geographic zones and Europe is a geographical zone so when we’re there we have close ties with France at group level but also at zone level. It’s technically a separate company, but we’re very much reporting... (pause), our budgets are provided by France [so] we’re very much tied in. We have a degree of independence but we’re not completely independent at all. The more senior are on the commercial teams.”

- GMM, MitCo

“Many of these people are in finance and it is very important for our company. We have set up a system so that it is very transparent. It’s a matter of trying to do the same thing all over the world but also it’s about complying.”

- Global GMM, FarmCo

With regard to the first comment from HunCo’s UK HRD, this interviewee went on to explain that after the company’s most recent acquisition, there was a consolidation period of about six months where the organisation sought to integrate the new UK structure into the company. The interviewee stated that to achieve this, AE managers had been brought into local roles in order to ensure that employees from the previous business understood HunCo policies and were adhering to these. Similar to this company, CatCo, the French company, also stated that expatriate managers were assigned in the UK head office for this reason. The GMM within this branch stated:

“Our finance director is French, the head of bank is French, and we have a head of operations in Ireland who is French, and they tend to be the most senior levels when they

come over. Historically that has always been the case. I mean historically all of our MDs were French.”

- GMM, CatCo

This manager stated that the French headquarters were ‘very controlling’ and that the rules and regulations that were currently used in the UK subsidiary were all dictated by those in the global head. The financial comptroller within this firm, who was also interviewed, agreed with this statement, and explained that CatCo’s global headquarters wanted to ensure that all countries utilised the same practices, with some exceptions. As indicated by her earlier comment above, the company’s headquarters sought to ensure that the unit’s practices were in line with the rest of the organisation. She stated that within her and other senior level roles, managers were expected to report up to the company’s France headquarters, which meant that the majority of expatriate managers who were assigned to that location at the time were currently reporting to headquarter managers. Another company where senior-level managers were assigned for control purposes was the French logistics firm, JonCo, where the manager also stated that certain functions were traditionally occupied by AE managers. When used for this purpose, the GMM also agreed that managers were typically sent to occupy financial roles within the UK location. They worked closely with a local financial department to ensure that the company was complying with local financial, legal and tax regulations. About this, the global GMM commented:

“We like to have a finance person who comes from HQ because we want to make sure that all the legal/tax aspects etc. and that our HQ policy is applied in the subsidiary. On the one hand one person that is from the HQ and one that is a local person so it’s a good balance because they can the finance person is like Moscow eye, like spy, to make sure that then MD abides by the rules.”

- Global GMM, JonCo

The comment of the above manager was particularly interesting as it indicated the monitoring nature of AE managers’ controlling function. Here, this manager explained that although they had a specific functional role, there was also an expectation that parent-country managers would keep an eye on the running of the subsidiary by locals. The French and German MNCs were not the

only ones to use AE managers in this way. As indicated in previous sections of these chapters, managers from the Japanese companies, who were assigned within their UK locations, were assigned primarily from the firms' Japanese headquarters, and across a wide range of senior-level roles. In one company, DriveCo, the GMM explained that AE managers based within the UK office were split into two groups. This included one very senior group which was managed by the Tokyo headquarters. The other was a middle-level group of managers who were assigned from other European locations and managed by a separate GMM in the UK head office. Although interviews were requested with both GMMs, an interview could only be gained with the UK GMM, who himself was an AE manager from a European subsidiary. He explained that because of the seniority of the other group of expatriate managers, that it was very difficult to access this group. He also explained that this group was primarily made up of Japanese expatriates. About this group of managers, he stated:

“We have quite a few Japanese expats here but they are managed by Japan. A couple of years I started to review the policy and see how we can improve it but they said no. I manage the European expats and I am the contact for the business here. The European expats are usually on a lower level while the Japanese are more on a senior level so that's why they are managed independently.”

-GMM, Expat, DriveCo

With regard to the proposed policy mentioned above, this manager explained that he had sought to integrate the two expatriate groups so that they might be managed as one organisational group. However, he was advised that this group of managers were not his concern. When asked about the roles of the European managers that he did manage, the interviewee indicated that these were often assigned within the car department and typically for the purposes of knowledge transfer and management development. Indeed, another European AE manager, who agreed to be interviewed, indicated that he was sent to work in the sales department, as a part of the company's leadership development programme. The following section will go on to outline AE managers' socialisation role.

8.4.3.2. AE Managers and Socialisation

Some interviewees stated that AE managers were also sent to UK head offices and subsidiaries in order to transfer the company's organisational culture to these locations. In addition to this, many of the interviewees who identified AE managers' control function stated that managers were also sent if the company was experiencing problems within a specific UK subsidiary or within the subsidiary location. Below are two comments offered by interviewees which depict the nature of and rationale for AE managers' socialisation mandate:

"Expats are sent to firefight, to turn around businesses to also be the eye from headquarters in some organisations, to tidy up some things to make something happen to implement HQ stuff more properly"

- Expat, Marketing, HunCo

"Also we use expats to bring about cultural change in local environment so our expats tend to be drivers of change. In some cases, where locals are resistant to change or culturally embedded in their local environment, we use expats who aren't as culturally bound"

- HRD, CosCo

With regard to the first comment, yet another manager characterised the monitoring influence of the global headquarters as a watchful 'eye'. This was the AE manager within HunCo who was assigned to the marketing division of the UK head office. He explained that the UK location had recently undergone significant changes, also highlighted by the firm's expatriate HRD, which resulted in the amalgamation of several departments to create the large UK head office. He stated that within his assigned location, there was difficulty being experienced because of specific problems relating to this cultural change. About this, he stated:

"Sometimes local organisations are not really open for change and have people sitting there for a long time and don't want to look somewhere else. They are really like sitting in their comfort zone and if you want to drive the business it is difficult to wake them up."

- Expat, Marketing, HunCo

This AE manager went on to explain the reason why AE managers were necessary for this purpose.

He stated that unlike the local employees, AE managers were not culturally bound to the location, but instead to the organisation, and as a result were ‘highly loyal’ to the company. With regards to transferring organisational culture, he stated that real cultural change could not be achieved via other communication methods such as a telephone call. Rather, AE managers were seen as more capable and flexible ‘drivers of culture’ as they were more open to change than other employees because of their boundary-spanning experiences. Moreover, there was a direct line from the subsidiary to the company’s headquarter location. When asked about how such change was implemented within the local UK subsidiary, this manager provided an example:

“I am doing a presentation about change management and to be brave and get out of your comfort zone and try something new and of course I am taking the chance to implement new things. We have gone ten years like this but now it’s time to move if you want to move the business forward and achieve something special or together.”

- Expat, Marketing, HunCo

This manager also explained that those who were sent for this purpose were typically sent from the home office and for a period of two to three years, although some assignments lasted longer depending on the nature of the situation within the local environment. The interviewee stated, however, that two to three years was generally perceived by the organisation and managers as an adequate time to alter mind-sets and effect change within the subsidiary. He explained that this could not be achieved from day one but that it took time to build up the trust and confidence of local colleagues. The length of time also allowed possible improvements in business growth related to this change, to be observed or measured by those at a global and local level. He stated that such improvements were often particularly telling in the area of people development. The following section will go on to highlight the outcomes of this and other expatriate activities within foreign subsidiaries.

8.5. Assignment Monitoring and Outcomes

Interviewees in the minor case studies were also questioned about how international assignments contributed to the organisation, and how these contributions were assessed. Regarding the outcomes of international assignments, interviewees indicated that these contributed in several

areas. In addition to succession planning, these ensured that the necessary expertise was available for the completion of key organisational and business projects. Moreover, the various companies interviewed explained that it allowed their firms to identify and tap into globally dispersed expertise, and build relationships across different regions. The below comments highlight the various levels at which international assignments contributed with the MNC:

“An expat assignment gives you the experience on your core and other expertise therefore sometimes when you come back you are given a new position in this new area of expertise or puts you on a new path where you are able to grow over time. New area of expertise might be in a new business unit... I think it's more like 70% promotion 30% transfers meaning giving you the ability to change areas and take on a new area or career path.”

- Global GMM, JonCo

“Yes absolutely, If we didn't have them we would certainly struggle with some of the roles [so] what we have is flexibility, so if we have the unfortunate situation where somebody resigns and we don't have or somebody retires and we didn't plan well enough for the retirement, and we have the role that needs to be occupied and we don't have any people that are ready to take the role, we've got the ability to pull resources from the group.”

- GMM, CatCo

“It contributes in a huge way. It helps to grow revenue, beat competition, knowledge and experience. Also as a global firm, global mobility is key whereas if we were just a global firm like CosCo then maybe it would be quite different... We are still very much dependant on local and regional influence in the local market we also take influence and advice from the local market. We also tend to share and exchange resources with between or global and local markets so now there is more of an inward and outward flow of knowledge.”

- HRD, CosCo UK

“They have a critical role because to bring an expatriate here is more expensive than hiring a local person so it's not something that's done likely or it's not usually the first option to

do it so when we do it, we make sure that we get some very good people so their contribution, I don't know I suppose it is, if we didn't have them I suppose we couldn't execute the projects that we were meant to execute.”

- HRD, AmCo

These comments highlight the various levels within the organisation at which international management assignments contributed. Regarding the first comment, the global GMM in JonCo stressed that AE managers contributed to their competitive advantage as they allowed the organisation to take advantage of opportunities within the local or regional environment through providing information of local competitors and external changes. Other managers agreed with this, stating that these managers allowed them to compete more effectively within the subsidiary environments. This was also due to having the necessary expertise readily available, as indicated by comments of the HRD within AmCo.

When asked about the extent to which they were able to monitor the performance and outcomes of assignments, all interviewees stated that individuals' performance was monitored through a performance appraisal, which was typically conducted within the assignee's home office and or the local office in which they were based, depending on the nature of their responsibilities. In most cases, the appraisal process being used was the same for all employees within the firm. When it came to the particular objectives of the international assignment, some interviewees indicated that this might be done on a more frequent and informal basis, by the assignees' supervisor. Some GMMs/HRDs explained that international management assignments were linked to their talent management system, and where this was the case, there was closer monitoring of assignment outcomes by the AE manager's home office. The comments below are from some interviewees, who indicated that international assignments were closely linked with their firm's talent management strategy:

“It's monitored by a supervisor in the host country however we have a yearly meeting with the career committee, the MD in the host country and the HR in the host country that it is at our initiative. We discuss what the career wishes of the employees in the next three years, what the MD thinks about what the employee can do in one to three years from now so we

have it all recorded into the system so therefore we have the MD's opinion we have the employee's opinion because we sit regularly with them in the career interviews"

- Global GMM, JonCo, France

"There is also a talent team which conducts talent reviews twice a year. They look at where expats are needed and how expats perform in the local environment. These teams are strictly local. The performance reviews are usually conducted by country managers who carefully monitor performance using a 9 box. They also gain the view of the local market to find out if the expat is any good and if they are or not they report this to the office that they come from. However, the country managers have the power to either promote or get rid of these managers."

RD, MacCo UK

"We have an expatriate platform based in Lyon so they're kind of the central point for managing the process and they liaise with the home country and the expats and that's probably focussed more on the admin type functions of international mobility but from a careers point of view, it would be more with their manager and the HR person for the region."

- HRD, RodCo UK

"We have a very structured performance management system. All the roles in the organisation has been put into streams so we have 26 streams and close to 150 or 250 roles. Each of these roles has a very clearly defined career path and very clearly defined goal sheet so our appraisals happen on a bi-annual basis and the first thing is the goal-setting with your manager then you have periodic catch-ups with your manager to see how you're doing but the goal sheet is visited every six months."

-GMM, InCo

"It is assessed twice a year by the HR team and my boss. We go through the business plan and try to evaluate the evolution of the plan."

- Expat, Sales, DriveCo

“For UK permanent we have got mid-year and end of the year performance review and Japan also has specific twice-a-year framework. So being expats here they have to do four times, twice in here and twice over there. Their format is kind of very similar but the criteria is different obviously the language is different. So their criteria are sent to head of expats (EMEA or in here) himself also being expat so he basically regardless of Mr A’s manager is Andrew, local manager, these two have to do the UK local management. Mr. B, who is the expat will hear the feedback from Andrew”

- GMM, FinCo

Where managers were monitored locally, these were typically employees who operated at a lower level, or middle-level managers who were sent primarily for management development purposes. Regarding the latter, these were monitored both within the host country, by the reporting manager, and the home country office, by the HR team and or immediate supervisor. Similar to the major case study firms, this was also partially determined by the role in which the assignee was sent to perform. While some organisations stated that there were several formal and informal mechanisms in place to monitor the progress of assignees, others indicated that this was not a process that was pursued. For example, the GMM within the car company, CatCo, explained that this was something that was only done on a reactionary basis. About this, she stated:

“Do we actively monitor the assignment? No probably not. We would leave that I suppose, say for example we had a marketing director and our MD didn’t think he was up to the job, he would manage it in the same way as he would if it was a Brit. Part of that might be sending the person back so it would be managed I suppose in the same way. But we don’t do any assessment with the manager of the expat half way through, we don’t do anything like that”

- GMM, CatCo

This manager elaborated that if there was a problem with the performance of the particular assignee, then his/her supervisor would get in contact with the HR business partner in his home country, who was ultimately responsible for this individual, and have a conversation with other

counterparts in France. From there, the best course of action would be decided upon. Other managers also indicated that assignment monitoring was done in response to any arising problems. Among these were the Global GMM within the Danish firm FarmCo, and the GMMs within the English firm FuelCo, and the US firm FundCo. Their comments are included below:

“We don’t monitor very much during assignment. We are in contact about salary adjustment etc. but we are not in contact with them generally. Sometimes they contact us if they have any issues and we solve what problems they might have.”

- GMM, FarmCo, Denmark

“Very little at the moment. We’re now bringing in a global expatriate programme but as in the past there was nothing setting objectives for the assignment and how they were monitored.”

- GMM, FuelCo

“We track them on our HR system and (pull GM report of the population). We don't have any monitoring performance system from HQ.”

- -GMM, FundCo

With regard to the first comment, this GMM gave no indication that the company was interested in monitoring these assignments more closely. However, in relation to the second comment, this interviewee at the time was engaged in a transformative process. This involved the creation of a worldwide system that would outline how AE managers’ objectives should be outlined, and how to monitor their progress on an on-going basis. In addition to this, the new global mobility program would also stipulate the time of year that managers should be assessed, as well as the way in which expatriate’s achievements might be linked to the company’s reward system. The following section will move on to outline the changes in the nature and use of international management assignments, as identified by interviewees.

8.6. Changes in International Assignment Use

Many interviewees indicated that they had observed some change with regard to the use of international assignments over the last few decades. These changes included the increasing assignment of inpatriates and third-country nationals (TCNs), more expatriate activity in regional structures, and an increased link between companies' global mobility and talent development program. With regard to increased use of inpatriates and TCNs, some GMMs commented that whereas in the past expatriate managers were primarily sent from the MNC's home country, managers were increasingly being sent from other subsidiaries located across the globe. This particularly applied within Japanese firms, where interviewees explained that key skills and organisational competences were now located across several geographic locations. In addition to this, companies stated that there was an increased push towards developing local managers to fill the positions that Japanese expatriates would typically occupy. This was the case in the Japanese firm MitCo, where senior positions in the UK head office would traditionally be filled by managers from the Tokyo headquarters. The GMM within this Japanese firm explained a bit further:

"There is a focus more on trying to get more locally hired staff to fill higher management positions, for example, so for the senior vice-president, SVP, we have a deputy SVP grade six who is locally hired staff, and just that push to get more locally hired staff on the same level as Japanese headquarter staff so more of learning and development and giving them the opportunity."

– UK GMM, MitCo

The interviewee further stated that there was a reduction in Japanese headquarter managers as local employees were being considered as vice-presidents and coordinators. This push had grown out of an awareness that local staff were capable of fulfilling these more senior roles, but just needed to be nurtured and developed in order to perform effectively. Another company, the French logistics firm, RedCo, indicated that this was the reason that there was an increased use of inpatriates within the firm. The HRD interviewed stated that there had been a reduction in the AE managers being assigned within the UK over the last ten to twelve years as a result. This, however, was just one of the reasons for this reduction. She commented:

“It’s reduced allot. In 2001 we had loads in both directions, particularly more inpatriates because they were recent acquisitions so it has decreased allot due to cost and restructure.”

- HRD, RedCo

This reflects the comments of several other GMMs/HRDs, including those in the first two major case studies previously examined. It was also the same within the Japanese firm DriveCo, where local managers were also being appointed to more senior roles in the UK head office, that were traditionally held by Japanese headquarter managers. While the GMM in this country acknowledged that the majority of senior roles were still populated by Japanese managers, he explained that the mind-set towards restricting such positions to these managers was changing.

With a reduction in managers coming from companies’ global headquarters into the UK, some firms, for example the French firm JonCo, observed that there was an increased tendency towards the use of managers from other global subsidiaries. The GMM within this firm’s global headquarters explained:

“There is still some coming from France but this is a big change because it used to be next to none from a different country than France. Now we have about twenty out of 84.”

- Global GMM, JonCo

While explaining that there were particular functions such as finance which were still only filled by PCNs, this GMM explained that more TCNs were present across several other functions. Other interviewees made a similar observation, and attributed this change to the increased global dispersion of the skills that the company required. Such skills typically included technical and functional skills. In addition to more globally located skills, this change was also due to another change observed by interviewees. This was the increasing expatriate activity within regional organisational structures, which interviewees explained was a result of changes in their organisation’s structure to create global regional headquarters across the globe. Where these regional structures were located in the UK, there was an increased number of international assignees from various global subsidiaries coming into these offices. The GMM in the US firm, CosCo, explained that within this company, this was one of the reasons for the increased flow.

About this she stated:

“One is the talent principle which requires us to move around people and two is the change in our matrix structure which has been changed to include both global and regional structures. This has required moving people into new positions in centres of excellence wherever these have been located.”

- GMM, CosCo

Other GMMs also commented about the formation of such ‘centres of excellence’ and, like the manager above, explained that these structures were a result of changing company structure of include global regional offices in locations where companies’ business presence was growing. The need to transfer key organisational knowledge and values to these new locations were driving that movement of middle- and senior-level managers to occupy key functional roles. The GMM in another firm, the US firm ITCo, confirmed that this was also her observation. She highlighted the company’s EMEA (European Middle East Asia) headquarters to illustrate:

“Our EMEA HQ is actually in Switzerland so we have more people coming into Switzerland. We have a lot of expatriates into the UK because the former [named local business] HQ was in the UK but the ITCo HQ for Europe is in Switzerland.”

- Global GMM, ITCo

The acquisition of this named local business was another reason for the increased expatriate management assignments within this region. The GMM explained, however, that in addition in the changes in the organisation’s structure, the growth in these assignments was also due to the nature of the newly acquired business, where more client-based roles existed. The growth of regional structures was also highlighted as a reason for increased expatriate movement in the German manufacturing firm, HunCo. The global GMM had observed that there was an increased flow over the past few years within regions where the company’s business was growing. She stated:

“Ten years ago it was more expats to and from German HQ to have training and view of HQ. Now much more int’l exchange within the regions. The big region is Asia-Pacific,

China, so we have in Shanghai our main location and in the EMEA region. Allot of expats going there. It's now more important to go to the regional HQ than to the HQ, which makes it diverse."

- Global GMM, HunCo

This and previous comments highlights the influence of changes in the international business environment and subsequent changes in organisational structures and assignment usage. The above assignee explained that these regional structures were necessary as the firm's global business grew, as they allowed the firm to better respond to changes and demands within the specific regions. Her comment also aligned with comments from the major case study firms, where the Asia Pacific and EMEA regions were highlighted as key areas of economic growth.

8.7. Summary:

This chapter has outlined the key findings from twenty-five interviewees from a wide cross-section of MNCs. The comments highlighted were primarily from the organisers of international assignments within these firms, however information was also gained from a few AE managers who agreed to be interviewed. It has highlighted the nature and use of international management assignments by GMMs, HRDs and expatriate managers within eighteen firms, from countries including France, Germany, US, Japan, UK, Denmark, and India. Interviewees across these firms identified a number and reasons for using international assignments, including the transfer of knowledge, the development of global managers, and the coordination and control of global operations. Within these functions there were a number of objectives highlighted. With regard to knowledge transfer, the role objectives identified included the diffusion of specific functional skills, expertise, and global perspective, the acquisition of local knowledge, the creation of communication channels between companies' headquarters and global subsidiaries, and the enhancement of language skills. The latter was necessary for managers to adequately interface with their global clients in the UK, many of whom spoke the language of the MNC's home country. With regard to the role objectives involved in assignees' management development roles, those identified by interviewees included gaining international experience, developing leadership skills, and building their career networks and opportunities. The final role, AE managers' coordination

and control function, involved the standardisation and alignment of MNCs' global processes, and the socialisation of local managers into the company's organisational culture. Of the firms interviewed, one firm differed significantly in their use of international assignments. This was the Indian firm InCo, where over five hundred expatriates were assigned to the UK headquarters. The reason for the high volume of expatriates was because this company utilised a global delivery business model, where expatriates were assigned across the globe to serve their global clientele.

Interviewees within the minor case study firms were also asked about key changes that they had observed in the nature and use of international assignments during their time within these MNCs. Many identified a number of key changes, which included a reduction in home country to subsidiary flow of AE managers (with the exception of the finance function), an increase use of inpatriate assignments due to a growing emphasis on developing local managers, increased use of TCNs, increased expatriate activity in regional structures, and an increased link between companies' global mobility and talent development program. These changes were the result of a number of wider changes within the global business environment, of which the main was increasing economic activity within specific geographic regions including the Asia-Pacific and the EMEA region.

This is the final of four chapters outlining the responses collected from GMMs, HRDs, and expatriate managers within four major case study firms and eighteen minor case study firms. While the first four findings chapters outlined in significant depth the nature and roles of AE managers within two US firms and two Spanish firms, this final findings chapter has offered a general understanding of the rationale for using international assignments within the eighteen firms interviewed, and their contribution within these MNCs. The following chapter will go on to analyse and discuss the findings of these five chapters, in order to draw further conclusions.

CHAPTER 9: DISCUSSION OF FINDINGS AND CONCEPTUALISATION

9.1. Introduction

In this chapter, the key findings from chapter four to eight will be elaborated upon and discussed in relation to the research questions and existing literature on the functions of expatriate managers. The reasons for the use of international management assignments as identified within the findings will be analysed. More importantly, an in-depth discussion on the undertaking of these functions within MNCs' foreign subsidiaries will be offered. This is in order to examine the extent to which existing categorisations of expatriate functions adequately reflect the reality of AE managers' roles within the current MNC environment. The researcher was particularly interested in how the various expatriate functions are simultaneously achieved and executed within foreign subsidiaries, as well as what activities contributed to the fulfilment of these functions. Finally, the various factors that help to shape the use of international assignments by MNCs, as indicated by interviewees, will also be explored. With this in mind, this discussion will centre on the functions of AE managers within foreign subsidiaries, the factors shaping these, and the fulfilment of these functions at a micro-level.

9.2. Functions of Expatriate Managers within MNCs' Foreign Subsidiaries

9.2.1. The inter-related nature of expatriate functions

As indicated by the findings across both major and minor case studies, the functions of expatriate assignments as identified in Edstrom and Galbraith's (1977) framework remain robust. Almost forty years onward, the three main purposes for using international assignments were identified as knowledge transfer, management development, and coordination and control by all of the firms interviewed. It is believed, however, that the identification of these roles is merely a starting point of analysis. While these three functions were identified across the case studies utilised, the emphasis and objectives of the particular functions being performed by each AE manager varied significantly. Moreover, though distinctive and individual in their own right, it has been recognised that each of these do not occur independent of the other expatriate function (Torbiorn, 1994; Hocking et al., 2004). Haynes and Almond (2015) in their conceptual paper on expatriate functions, called for theoretical development in the area of expatriation in order to provide a more

realistic portrayal of the multifaceted nature of these expatriates' roles. The findings in this present study solidified the need for such theoretical development, with interviewees confirming and providing insight into the simultaneous purposes and objectives that these assignments fulfil. Support was found for the Hocking et al.'s (2004) re-classification, which highlighted the different organisational levels at which each expatriate function contributed. The findings have also point towards that inherent and inseparable nature of knowledge transfer within other expatriate roles, as observed by past writers (Hocking et al., 2004; Torbiorn, 1994). Indeed, when AE managers were sent for coordination and control, or management development purposes, the achievement of these roles required that some form of knowledge (e.g. HQ expectations and values) be transferred between the assignee's home and host country offices. Where the distinction was observed between the roles, however, was with regard to the type of knowledge being transferred and the focus of the specific assignment.

As indicated by the above sentence, a key purpose of this study was to examine how AE managers are able to fulfil multiple assignment purposes simultaneously. To do this, an in-depth exploration of how AE managers undertook their objectives at a micro-level was still needed. In this study, the term micro-level is used to refer to individual-level abilities and activities (see Barner-Rasmussen et al. 2014). In addition to exploring the overlapping nature of expatriate functions, it is here in particular that the present study aims to further contribute. Hence, table 18 on the following page is a representation of the purposes and objectives that international assignments served, as well as what activities were involved in the undertaking of assignees' functions. Among the primary reasons for the exclusion of micro-level role processes within existing frameworks, is the observation that these processes as path-dependant and individually distinct (Torbiorn, 1985; Barney, 1991; Hocking et al., 2004). However, based on the responses of interviewees within several case study firms, it is believed that while the execution of these will vary from firm to firm, several individual-level activities can be identified as contributing to the fulfilment of AE managers' functions and role objectives. These micro-level activities, or role processes, are not unique to expatriate employees, however when performed in varying combinations and within the context of the assigned subsidiary unit, they lead to the fulfilment of expatriate objectives. The identification of the various expatriate micro-level activities facilitates further understanding into how one expatriate assignment might fulfil satisfy several strategic purposes simultaneously. This

is illustrated in table 18, which depicts how AE managers were utilised across the major and minor case study firms in this study. In line with other frameworks, each expatriate function is recognised as a distinctive role. However, it also makes explicit the fact that managers are, in many cases, sent out by MNCs for a number of purposes at once.

Table 23: Conceptualisation of AE Managers' Functions (KT=knowledge transfer, MD=management development, C=coordination and control), Ind/Org/Env= Individual, Organisational, Environmental factors

Function, Mgt Level	Ind/Org/Env Factors	Assignment Application	Role Objectives	Role Processes (Activities)
KT, MD, CC Senior	Subsidiary importance (e.g. CallCo: regional structures, use of TCNs) Merger/Acquisition Business growth High Cultural /Institutional Distance	Individual, Business, Organisational	Knowledge Dissemination - company perspective - technical/managerial expertise Knowledge Acquisition - local knowledge Leadership Development - global perspective - international management experience Standardisation - policies, procedures Direct personal control	Coaching/mentoring, action learning, translation of language, information and practices, active promotion and display of firm values, installation of HQ software programs/systems, direct monitoring of local employees' activities, negotiation with local employees
KT, MD Middle	Individual development needs Subsidiary skills gap Organisation growth strategy	Individual, Business, Organisational	Knowledge Dissemination - technical/managerial expertise - company perspective Knowledge Acquisition - local market/practices Leadership Development - build professional networks - global/professional experience	Observation of local processes, on-the job training (trial-and-error), attendance of development workshops, mentorship with supervisor, attendance at locally organised events, interaction with local employees
KT, CC Senior/ Middle	Challenging subsidiary Market (e.g.ManCo)	Business, Organisational	Knowledge dissemination - technical/managerial	Translation/interpretation of language, policies, and cultural norms; connect home and foreign colleagues (e.g. organised introductions); coaching/mentoring;

In table 18, under the first column, three different combinations of Edstrom and Galbraith's three functions are identified. These three combinations indicate that managers were sent for knowledge transfer and coordination/control (KT, CC), knowledge transfer, management development, and coordination/control (KT, MD, CC), and finally knowledge transfer and management development (KT, MD). These combinations highlight the specific focus of the expatriate manager's assignment with the subsidiary. It further extends on the idea put forward in Haynes and Almond's (2015) conceptualisation, where the authors called for the interplay between expatriate functions to be acknowledged in future studies. It also lends support to Hocking et al.'s (2004) depiction of the different levels at which these assignments are applied. Moreover, it also indicates how the use of a single expatriate assignment contributes at multiple levels. Having used a multiple case study approach, it also offers additional insight into what micro-level activities are common in the pursuit of assignment objectives.

The depiction of the multiple levels at which managers' assignments contribute highlights not only the inter-relatedness of expatriate assignments, but also the messy and unpredictable nature of these assignments. In agreement with some past authors (Torbiorn, 1994; Hocking et al., 2004), it was found that knowledge acquisition, or 'know-how' transfer, was implicit in all three of the strategic purposes of expatriate assignments. This particularly rings true when examining the link between knowledge transfer and the coordination and control function. Indeed, the inherent nature of knowledge in all expatriate functions is indicated in table 18, with this particular function being included in all three purpose combinations. This is why management development, and coordination and control have not been placed together in a fourth combination (e.g. MD, CC). By reflecting the overlap between the various assignment purposes and applications, a more representative picture of the occurrence of expatriate functions within MNCs is provided. This was among the key findings in the present study, with almost all GMMs/HRDs stating that international management assignments served several purposes and contributed at various levels at once. Also included in the above table, and which will be discussed later in this chapter, are the environmental, individual, and organisational level factors that played a role in the assignment of the expatriate managers to the foreign subsidiaries. Focusing on assignment applications and role objectives, the following sections will go on to explain further how a single assignment might serve several strategic purposes at once.

9.2.1.1. Examining Assignment Use: Applications, Purposes, and Role Objectives

The responses from several interviews across both the major and the minor case study firms highlighted the strategic importance of international management assignments, with one single assignment capable of contributing at various levels within the MNC. As indicated in table 18, an AE manager might engage in knowledge transfer, management development and coordination and control during one placement, thus resulting in several strategic individual-, business and or organisational-level objectives being fulfilled at once. To agree with Hocking et al (2004, p.573), outlining the particular organisational applications and role objectives of individual assignments provides a better indication how each specific assignment contributed to firm growth and maintenance. Regarding the particular objectives of the assignment, the particular function that took priority in a specific assignment was determined by a mixture of other individual, organisational and or environmental factors within the organisation and the subsidiary context. The following paragraphs will elaborate further on AE managers' functions and role objectives.

While AE managers are sent for more than one purpose at a time, it appeared that a level of hierarchy exists, with specific role objectives related to each function taking priority over others. For example, when managers are assigned for KT, MD, and CC, as shown in table 18, the transfer of knowledge between subsidiary units took priority for some expatriates, while for others it was the MD or the CC role that were deemed to be the main focus. A similar observation was also made by Hocking et al (2004) who identified different expatriate outcome priorities within the chosen single case-study. Using a multiple case study approach within this present thesis, it was indeed highlighted across different firms, and helped to explain why some senior-level managers were on assignment for the first time. While KT and CC in some cases were the primary concerns of these managers, the assignment also inadvertently provided international experience, which in some cases was an expected but unlisted objective within the role. To illustrate, H2 in HealthCo, the global Head of Marketing and four reports from the CEO within MedCo, had been sent from HealthCo's corporate HQ in the US primarily to standardise and coordinate the marketing systems being used within HealthCo (UK) with those being used in the US office, primarily a coordination and control function. Several writers have observed that expatriate managers are typically chosen for assignments because of her specialised level of expertise and distinctive firm competency (Argote and Ingram, 2000; Bonache and Brewster, 2001). Without such 'know-how' (Hocking et

al., 2004), the fulfilment of coordination and control through expatriation would be difficult, as the transfer of specific organisational knowledge was inherent and necessary for the achievement of this function. For this reasons, other writers have declared that it is impossible to separate the KT and CC functions (Minbaeva and Michaelova, 2004; Felin and Hesterly, 2007). Be this as it may, KT and CC are not considered equally in all assignments where both of these are objectives. Regarding H2's assignment, while CC was the main objective of the assignment and applied to organisational level outcomes, this expatriate was also recognised as a high potential and hence the assignment also served as an opportunity to gain international experience. Although this was indeed an expectation of the firm, none of the verbal or written role objectives for her UK assignment addressed individual assignee development. This was instead assumed by the organisation as an expected outcome of an international assignment. Here one can see how one single assignment can contribute at the organisation (through coordination), the business (through KT) and the individual level (through MD).

The above scenario highlights Hocking et al (2004)'s differentiation between assignments' 'intended' and 'emergent' outcomes, and knowledge acquisition contributing the assignee's professional development might be seen here as an emergent or under-estimated outcome, again pointing towards the overlapping nature of assignments as well as the inherent nature of knowledge transfer. The findings indicated that there was a difference between clearly communicated role objectives, and other more uncommunicated expectations, that are often hoped for by the assigning office. While communicated objectives were typically stipulated verbally and/or explicitly within the expatriate's written contract, 'hoped for' expectations were often organisational or managerial assumptions that were based on past experience of expatriate use within the firm, as well as the requirements of the specific subsidiary context. This was also indicated when examining the purposes of assignments as listed by HRDs/GMMs, compared to those listed by AE managers interviewed. For example, within MonCo, the Spanish financial institution, the UK HRD indicated that international assignments were primarily used for language translation, knowledge transfer and management development, however, the responses provided by the AE managers interviewed indicated that the CC role was the primary reasons of assignments, with management development being expected but not focussed on during the assignment. In addition to accentuating the multifaceted and emergent nature of assignments, this also points towards some discrepancies between

home office and host office regarding the objectives of the particular assignment, an area where further research is required.

The presence of both communicated and uncommunicated objectives holds significant meaning, not only for understanding the inter-related nature of expatriate functions, but also for assessing the effectiveness or outcomes of each assignment. As the talent management literature has highlighted, there are risks associated with failing to communicate the full intentions or objectives of an expatriate assignment (see Stahl et al., 2009). While MD may not be the main priority in the above-mentioned case, it is possible that significant knowledge or opportunities might be lost as a result of not defining such goals. Indeed, in a follow-up interview, H2, in providing an example of what she learnt from the global experience, was only able to do this when the question drew attention to potential knowledge acquisition during the assignment. This might help to explain the lack of research clearing identifying what specific competences are gained by managers on international assignments (Culpan and Wright, 2002; Cappellen and Janssens, 2005).

Along with knowledge acquisition, several other role objectives were observed where AE managers were sent for KT, MD, and CC. The priorities of these objectives changed according the primary purpose of the particular assignment. Where knowledge transfer was the main focus, AE managers were expected to disseminate key 'know-how' (Torbiorn, 1994; Hocking et al., 2004) within the local subsidiary or setting. Expatriate managers' role in the transfer of key functional and technical knowledge to foreign subsidiaries has long been established within the literature (Edstrom and Galbraith, 1977; Kobrin, 1988; Kogut and Zander, 1993; Delios and Bjorkman, 2000; Minbaeva and Michailova; Makela and Brewster, 2009; Chang et al., 2012). At a business level, such knowledge dissemination aided in filling key skills gaps at a local level and also with the improvement of local subsidiary performance. Indeed, this role objective was confirmed by almost all AE managers interviewed. The knowledge transmitted to subsidiaries was both tacit and explicit in nature. Within regard to tacit knowledge, AE managers interviewed indicated that they transferred their accumulated expertise in functional areas including their firm's accounting and recruitment practices. It also included understanding of how to interact with the firms various internal stakeholders (e.g. employees) and external stakeholders (e.g. suppliers, educational institutions). Such tacit knowledge transfer was the one of the key reasons why companies chose to utilise international assignments as built up experience and know-how was more easily

communicated through informal rather than formal transfer mechanisms (e.g. manuals, written procedures) (Polanyi, 1962; Nonaka, 1994; Brewster and Suutari, 2000). The extent to which the intended direction of knowledge flow was primarily in or out of the subsidiary, however, was also dependent on which expatriate function took priority. For example, where KT was the assignment priority as a result of challenges within the local market, then knowledge acquisition, that is the outward flow of knowledge from the assigned subsidiary to the home office was the main objective, as was seen with R2 in ManCo (first main case study). Here, specific know-how about the local consumer market and firm competition was the key information that the AE manager sought to transfer. In addition to acquiring specific know-how, this AE manager was also sent for knowledge facilitation purposes, discussed further below.

In table 18, the 'knowledge facilitation' role objective describes the establishment of internal and external relationships within the subsidiary environment. Kostova and Roth (2003) noted that in this capacity expatriates aided in creating social networks between assignees' home office and the host office to which they were sent. The fulfilment of this role objective allowed firms to not only bridge their external needs but also acquire key information for employees within the local subsidiary (Scott, 1995; Au and Fakuda, 2002). This was seen, not only within ManCo, but also within MonCo, where C3 was sent to extend the firm's educational partnerships. These partnerships not only increased the firm's presence at a local level, but also expanded its external networks and hence access to local knowledge. Indeed, Hocking et al. (2004) identified AE managers' boundary spanning role as contributing at the business-level. One might suggest, however, the amount of information exchanged across the boundary and the direction of knowledge flow might determine the extent to which the particular assignment contributed to this and other organisational levels. Access to external knowledge resources was also facilitated through the establishment of relationships with institutions and key actors in the local subsidiary context, thus linking previously disconnected actors (Burt, 1992; Ancona and Caldwell, 1992; Kostova and Roth, 2003; Johnson and Duxbury, 2010). This was primarily observed within MonCo, and also ManCo where R2 was sent in order to seek new business opportunities and address challenges within the UK business environment. Among this assignee's primary objectives had been to promote the organisations brand through engaging and building relationships with external stakeholders (Johnson and Duxbury, 2010, p.34). Such activities helped to increase

awareness of the MNC's presence within the subsidiary context. More about how expatriate functions were achieved will be provided in section 9.3 which focuses on assignment role processes.

Importance of Expatriate Functions

With regard to the importance of each function, past research has found significant variation in which function was hailed as the most important (Galbraith and Edstrom, 1976; Borg, 1988; Hocking, 1999). For example, while Edstrom and Galbraith (1977) identified coordination and control as the primary reason for using international assignments, Harzing (1999) had found business applications or knowledge transfer was cited as the main reason for using assignments. Similarly, among the twenty-two (major and minor case study) firms interviewed, the main reason for assignment use varied significantly from firm to firm. What was observed, however, was that management development was seen as an increasingly important reason for expatriate use, with several firms listing this as their top expatriate priority (e.g. ManCo, MitCo), while others indicated that their firms were in the process of developing the link between talent management and expatriate assignments.

As previously highlighted, while expatriates are sent on assignment for a number of reasons at once, these reasons are not usually weighted evenly (See Galbraith and Edstrom, 1976: 292). It is expatriates' MD function that is most often been perceived as secondary and occurring on an 'ad hoc' basis (Edstrom and Galbraith, 1977; Borg, 1988; Thomas, 1998; Hocking et al., 2004). Individual expatriate learning was seen as occurring unintentionally, while managers were on assignment, with little attention given and support provided by way of training and career development (Temporal and Burnett, 1990; Hocking et al., 2004). This picture of the management development is increasingly changing, however due to increased organisational growth in specific regions and the need to international leadership (Jokinen et al. 2008). Indeed, many of the case study firms indicated that this was perceived as a top priority when using international assignments because of the expansion of firms' business globally, particularly within key emerging or growth economies (e.g. Asia, EMEA region), many of which were characterised by vastly different cultural and institutional settings. This also supports Hocking et al.'s (2004) view regarding the context-specific nature of managers' purposes and objectives. Other writers have also highlighted

the desire of MNCs to develop an ‘international cadre’ of managers (Briscoe and Schuler, 2004:281; Jokinen et al. 2008) who could be deployed across the global marketplace and function effectively across different settings. One AE manager in MonCo (Spain) used that exact phrase to describe the rationale of expatriation from the perspective of the firm’s headquarters, stating that such individuals helped to smooth the flow of knowledge and communication across the firm’s various units. Whereas assignees were sent primarily for management development purposes, it is indicated above in table 18, where MD is paired with KT. As made clear by interviewees in this study, it was important that various parties benefitted from this exchange. Hence, the assignee typically contributed at the business level with his expertise and know-how (KT), while the completion of the assignment contributed at an individual level by aiding in the development of his/her global management skills (MD). Within those firms where MD was highlighted as the primary purpose, significant efforts had been made to incorporate the talent management programs, with several training mechanisms in place to support the development of managers while on assignment.

With regard to the individual-level application of international assignments for employees, interviewees highlighted several objectives and potential outcomes, the three most identified including increased cross-cultural awareness, greater understanding of the MNC, and increased organisational exposure and professional networks. The depiction of these as both objectives and outcomes is because where as some firms stipulated such aims as part of the outlined assignment objectives, in other firms these were taken-for-granted outcomes. Previous researchers have found that the Edstrom and Galbraith’s MD function was where there was extensive potential for ‘emergent’ outcomes (Berthoin Antal, 2000; Caliguiri and Di Santo, 2001; Hocking et al., 2004, p.582). Hocking et al. (2004) observed, however, that the extent to which these emergent outcomes were realised, was influenced by the length of time managers spent on assignment. Moreover, where the level of application focused on was individual, and focused on the assignee’s management development, then emergent was greater than on other assignments. Increased cross-cultural awareness and greater organisational understanding reflected an enhancement of the Career Capital ‘knowing how’ competence (De Fillipi and Arthur, 1994). In addition to gaining insight into what particular work approaches and practices were more suited and accepted across different national contexts, AE managers also learned about how different firm operations

functioned across the globe. One manager pointed towards the value of learning to manage businesses on different scales and at different developmental stages. Such knowledge was particularly important as it helped managers to understand the rationale behind decision-making within the local subsidiary, in light of particular challenges or circumstances (De Filippi and Arthur, 1994; Jokinen et al. (2008). In addition to the 'know how' competence, AE managers also enhanced their 'knowing whom' through gaining more exposure and extending existing networks (Roberts et al., 1998; Capellen and Janssens, 2005). Through their interaction with internal and external stakeholders (e.g. local employees, community members, business leaders, educational providers) within the local settings, AE managers identified various sources of expertise, information and opportunities. Such knowledge extended benefits at the business and organisational level, through increased access to resources (e.g. technology, distribution networks, social structures) (Hitt et al., 2002; Inkpen and Tsang, 2005), however at the individual level, it also served assignees in several ways. Regarding exposure, assignees' skills and capabilities became better known across the firm, and as a result they were provided with access to further career opportunities through references from key organisational players. Such players might include more senior-level managers and company officers, who might have heard about the assignee or observe his/her work first-hand. In this way, managers benefitted from privately-held social capital (Burt, 1992; Putnam, 1993; Leana and Van Buren, 1999; Kostova and Roth, 2003), which was how some AE managers interviewed were identified and selected for their particular post, as indicated in previous findings chapters.

The enhancement of AE managers 'knowing how' and 'knowing whom' competencies were crucial to the development of what Augier and Teece (2009) described as dynamic capabilities ('sensing', 'seizing' and 're-configuring') within and across the organisation. Whereas the possession of competences (e.g. technical skill, specific company know-how) were desirable and necessary to perform specific job roles effectively, capabilities, a term tracing back to the RBV literature (Wernerfelt, 1984; Barney, 1991) were the result of combining and utilising these competences in a way that would add strategic value to the organisation. AE managers' 'sensing' and 'seizing' capabilities reflected their ability to identify and gain access to knowledge held across different organisational units and institutional settings, and the combining of knowledge gained from different sources, facilitated awareness of and access to previously inaccessible opportunities. The experience of the international assignment, along with the interaction with a diverse group of

employees, bred what was described in the international business literature as an openness to different cultural perspectives and capabilities in discerning cognitively complex situations (Stahl and Bjorkman, 2006; Boyacigiller et al.; 2004). Where this was the case, allocation, re-allocation, combination and recombination of the firm's resources and assets (Teece, 2007) became possible and offered an array of potential strategic outcomes for the firm, including smoother knowledge transfer and enhanced coordination of global activities. Examples of this could be seen with all four of the major case study firms, with assignees indicating that competences in languages or business development skills (e.g. C3 and C4 in MonCo) allowed their organisations to access and take advantage of valuable knowledge and opportunities within the local subsidiary environment. Whether or not international assignments were utilised for the array of purposes outlined above, however, was influenced by an interaction of individual, environmental, and organisational level factors which will be further discussed in the following section.

9.3. Factors shaping functions performed by AE managers

The varying use of international assignments across the twenty-two firms interviewed indicate that the way in which these were used and the factors motivating the initiation of such assignments was heterogeneous and dependant on the specific firm context, thus supporting the position of previous writers (Torbiorn, 1994; Hocking et al., 2004). Indeed, the operationalisation of expatriate functions was found to differ from firm to firm, and such variation was influenced by a combination of organisational, individual and environment factors within MNCs' specific context (Welch, 1998; Harzing, 1999; Welch, 1994). Among the key objectives of this study to explore how such factors might influence the use of international assignments. Hence, while the path-dependent nature of each international assignment is acknowledged, the following sections explore how various individual, environmental and firm level factors helped to shape the use of AE managers, as indicated by the companies interviewed.

9.3.1 Organisational-level Factors

In this study, organisational factors refer to those factors internal to the organisation, which are capable of affecting the extent to which its objectives can be met. A key factor found to be influencing the use of international assignments within the companies interviewed was changes in

companies' organisational structure. More specifically, the use of international assignments was influenced by the creation of regional MNC headquarters, and mergers and acquisitions within the local subsidiary context. Regarding the former, findings from both the major and minor case study firms interviewed in this study indicated that the formation of regional structures influenced not only the direction of expatriate flow, but also the type of expatriate manager assigned by the firm. With increasing business growth in regions including Asia Pacific, and EMEA, firms were increasingly pursuing regional organisation to allow for greater flexibility in decision making and better response to the unique customer needs and market requirements. Such findings reflected the opinions of Ambos and Schlegelmilch (2010), who saw these units as important 'knowledge carriers', which held several implications for the transfer of knowledge within MNCs. Heenan and Perlmutter (1979) noted that this 'regiocentric' strategy facilitated increased profitability and legitimacy within a specific region.

Formation of regional structures led an increased exchange of international assignments among regional units, and increased use of TCNs. At an individual level, these headquarters units were seen as attractive and offering diverse opportunities to subsidiary employees in nearby countries (Rugman, Verbeke and Luxmore, 1990). For the organisation, these individuals often aided in bridging the knowledge gap across subsidiaries located with this region (Harzing et al, 2015), as was seen most evidently in ComCo (fourth major case study firm). Many of the GMMs/HRDs interviewed explained that where in the past the majority of expatriates originated from the firm's parent country, there was now increased use of TCNs, and increased movement between globally-dispersed subsidiary units. This increase was largely because of the proximity of these headquarters to the subsidiary units within the region in which they existed. This holds significant implications for the decentralisation of control within the MNC, as local subsidiaries could more easily report to headquarters within their specific region, where key personnel were being sent to occupy senior-level positions. This change was particularly highlighted within the second case study firm, MedCo, where several top-level executives were assigned to HealthCo, as a result of its location within the European zone. Because of this, several managers within the European region (e.g. H3, H5 from Belgium and Croatia) were drawn to this unit in order to work with these individuals. Moreover, for many organisations, the UK was considered a particularly significant market place, which Rugman (2010) believed helped to determine the strategic importance of the

subsidiary unit. The influence of regional structures was also observed within the Japanese and the Spanish firms, where both GMMs and AE managers indicated that expatriation in the past was typically very 'head-office centric', but was becoming less so because of the presence of headquarter units being set up in specific regions. The head-office oriented depiction of Japanese MNCs by interviewees, supports the observations of past research, which pointed towards to ethno-centric staffing policies of these firms (e.g. Kopp, 1994; Gaur et al., 2007). Exposure to the skills and talents of employees in their subsidiaries across the globe, however, was leading to a willingness to increasingly use other types of AE managers (e.g. TCNs).

The use of AE managers in MNCs' regional headquarters also points towards the influence of the subsidiary's strategic value or role within the MNC as a whole. Within the headquarters-subsidiary relationship, an increase in the unit's strategic value was often gauged by its size and or profitability, as indicated by Pfeffer and Salancik (1978). These authors noted that increased unit growth often resulted in an extension of additional resources, and thus a threat to the balance of power in this relationship. Within all four of the major case study firms (ManCo, MedCo, MonCo, ComCo), the UK subsidiaries in which the interviews were conducted held significant strategic value for these firms, for varying reasons, including profitability (EngCo), specific location (HealthCo, CallCo), growth (CoinCo, HealthCo) and specific expertise (HealthCo). Because of their importance, senior-level managers were typically assigned to head up key organisational functions including Accounting, HRM, Marketing, and Legal. This was also the case within more than one of the minor case study firms, for example within the French Logistics firm, JonCo, where the GMM likened the roles of AE managers within the UK to a 'Moscow eye' or 'spy'. Here, this manager was describing assignees' role in ensuring that transferred practices and policies were being implemented in a way that was intended by the firm's global headquarters (Mtar, 2001). This highlights MNCs' attempts to address or circumvent issues of agency within the local context (Pfeffer and Salancik, 1978). The UK-based headquarters, where the majority of interviews were conducted, held significant value because of their size, location, status or specific expertise, all factors which challenged the balance of power within their MNC. Where this was the case, the use of AE managers in the specific location helped to protect or maintain the desired balance (Gupta and Govindarajan, 1991).

As indicated above, other influencing factors were also highlighted at the subsidiary level. In line

with the findings of other researchers (Edstrom and Galbraith; 1977; Bartlett and Ghoshal, 1989; Delios and Bjorkman, 2000; Harzing, 2001; Gong, 2003; Colakoglu and Caliguiri, 2008), it was also observed that the nature of the particular subsidiary, for example, the age, size or performance of the unit, helped to determine the level of international staffing within MNCs, and the purpose for which they would be used. Particularly, the use of AE managers within many of the MNCs interviewed was initiated in response to mergers or acquisitions within the local subsidiary environment. In such cases, senior-level managers were assigned into the foreign unit primarily for purposes of knowledge transfer and coordination and control, not only to address issues of agency but also to ensure that specific organisational systems and processes could be implemented correctly. Some of the case study firms, who had undertaken a merger or acquisition within the last ten years (e.g. MedCo, MonCo, HunCo), stated that AE managers helped to ensure that the employees within the new structure were integrated into the MNC's organisational culture, thus contributing at the business and organisational levels in the MNC (Hocking et al., 2004). The integration of organisational culture was what Edstrom and Galbraith (1977) referred to as socialisation, and aided to establishing control over subsidiary activities. To achieve such control, individuals with an acute understanding of the organisations implicit culture and values, offered firms a subtler approach to instituting control within the local context. For this reason, the individual-level factors (e.g. trust, abilities of managers) played a significant role in the selection of individual assignees (See Paik and Sohn, 2004) and the roles that these individuals performed. The role processes that AE managers engaged in to achieve such control will be discussed further in section 9.4.

9.3.2. Individual-level Factors shaping Assignment Use

Along with organisational-level factors, the use of AE managers, as well as the effectiveness of these managers in performing specified functions within foreign subsidiaries, was influenced by several individual level factors. Past researchers have highlighted the importance of absorptive and disseminative capacity (ability and motivation to receive or transfer new knowledge) of individuals engaged in knowledge transfer (Szulanski, 1996; Gupta and Govindarajan 2000; Minbaeva et al., 2003; Minbaeva and Michailova, 2004). It was evident that organisations attempted to gauge these attributes through the process of selecting managers to undertake specific assignments. To identify managers' motivation to go on assignment, individuals were often asked to outline the reasons for

wanting to go on assignment. In some firms, for example ManCo and MedCo, interest in global mobility was indicated formally by ticking a box on a form. Managers' interest in assignments were viewed as an overt display of their commitment and willingness to advance within the firm. Such qualities were deemed to be essential to expatriates' functions as MNCs relied on assignees' ability to utilise their discretion to the firm's benefit (Harzing, 2001), especially as it pertained to conveying core values and grounded organisational traditions and customs to local employees (Jaeger, 1983). In addition to this, interviewees across all firms stated that AE managers were selected because of their acute functional, technical or managerial expertise, which past studies (Szulanski, 1996; Chang, Gong and Peng, 2012) have identified as indicators of absorptive capacity. The various role processes (e.g. translator, mentor, internal negotiator) outlined later in Table 9.4.2., helped to explicate the criteria used by MNCs when selecting individuals to send on international assignments. For example, where AE managers were engaged in language and policy translation, they were selected based on their bi- or multi-lingual proficiency, as well as their accumulated knowledge and trust within the specific company. This was particularly evident in MonCo's UK head office CoinCo, where several managers had been assigned for translation purposes. Indeed, three of the four AE managers interviewed stated that their English language skills and other language abilities was among the primary reasons that they were selected for the particular role. All three managers operated at a very senior level and stated that their expertise and existing organisational networks were also key reasons for their selection. The possession of these attributes increased the likelihood of the managers' effectiveness in knowledge transfer and coordination and control roles, although such success was also regulated by other organisational and environmental factors, as previously stated.

The findings in this study also indicated that AE managers' social capital (SC) also exerted an effect on their ability to successfully transfer knowledge and coordinate global activities. Some interviewees within major and minor case study firms alluded to the influence of their social networks, built up during their time with the MNC, on them being identified as the most suitable candidate for the role. Such networks had been built through previous international assignments, interactions within their home offices, and project-working within global team. Their selection through these networks highlight the influence of social capital as a 'private good' (Burt, 1992; Putnam, 1993), professional contacts aided in the assignee's career progression. As a 'public good'

(Putnam, 1993), the existing networks of these managers facilitated access into additional knowledge resources, as these managers could use their existing contacts to gather information from across the organisation, and extend the benefits of these contacts to employees within the local subsidiary. Lin (1999) noted that this was how MNC employees managed to widen their resource access, without direct participation in the development of these network structures. These networks also facilitated coordination and control function, as AE managers' built up contacts provided them with access to inside knowledge regarding the decision making and performance of local subsidiaries, particularly after the assignee had returned to his/her home office. Moreover, in AE managers' boundary spanning capacity, access to external knowledge resources was also facilitated through the establishment of relationships with institutions and key actors in the local subsidiary context, thus linking previously disconnected actors (Burt, 1992; Ancona and Caldwell, 1992; Kostova and Roth, 2003; Johnson and Duxbury, 2010). Managers who engaged in such activities typically operated a middle to senior level. Whereas more individual level benefits would more attractive to assignees at a middle-management level, one might expect that the benefits of social capital as a public good would be more experienced through the use of senior-level managers, who possess significantly more experience within the MNC.

9.3.3. Environmental-level factors shaping assignment use

Kostova (1999) observed that the process of knowledge creation and transfer was also embedded at the level of the social context. Indeed, the findings of past studies (e.g. Boyacigiller, 1990; Padmanabhan and Cho, 1996; Gaur et al., 2007; Colakoglu and Caliguiri, 2008) have found that the extent of cultural and or institutional distance between the MNC's parent country and the host country played a role in shaping the nature of this and other aspects of expatriation. In this current study, the interview data also indicated that elements within the MNC's home country national context, and the context to which managers were assigned had some role to play in the use of AE managers and the functions that they perform within foreign subsidiaries. Some writers have noted that where significant cultural distance existed between home country and the host country environment, the smooth transmission of knowledge between the corporate headquarters and foreign subsidiaries could be affected. This was particularly observed within the Spanish and Japanese case study firms, where managers reported a larger number of senior-level expatriates, the majority of which were PCNs, were utilised within the UK subsidiaries for purposes of

language translation and that the transfer of organisational culture. While the reason for such a high proportion of PCNs was also related to the strategic importance of the subsidiary (as headquarter offices), differences in culture and language constructs required the transfer of AE managers to ensure smooth transfer of knowledge between units. Such was the case particularly within MonCo, the Spanish financial firm where expatriate managers were key to dismantling language barriers between UK employees and the Madrid headquarters. Here the knowledge facilitation role objective is evident, and Feely and Harzing's (2003) depiction of expatriates as 'language nodes' also comes to mind. In addition to language translation, AE managers also assisted in communicating the meaning behind specific culturally-embedded behaviour between their home and host country offices. For example, several interviewees within both English-speaking and non-English-speaking countries provided examples cultural subtleties in conversations that were often misinterpreted during conversations with UK employees. To agree with Elenkov and Manev (2009), AE managers' ability to address such differences was determined by the level of cultural intelligence possessed by individual assignees, in addition to several individual-level factors (e.g. language skills, absorptive and disseminative capacity) as will be discussed further in section 9.4.3, which focuses on expatriate translation activities.

The above sections have discussed the nature and use of international assignments across different multinational firms. The varying factors influencing the use of these assignments have also been highlighted above, with some references being made to the role processes involved in the performance of these functions. The following section will go on to further elaborate on the role processes involved in the fulfilment of expatriate functions and objectives.

9.4. Fulfilment of AE Managers Subsidiary Functions at a Micro-level

9.4.1. Expatriate Role Processes:

Recent studies have emphasized the need to examine organisational phenomena at the micro-level (Devinney, 2013; Felin, Foss, Heimericks and Madsen, 2012; Barner-Rasmussen et al. 2014). Indeed, Makela and Brewster (2009) stressed the need to examine the nature of interpersonal interaction in order to allow for a more theoretical and practical understanding of this process. In agreeing with these writers, it is believed that such analysis would provide further clarity about

knowledge-related outcomes beyond the level of the firm. Barney (1991) described expatriate role process and individually specific and ‘characteristically path dependent’ (p.104). Similarly, Hocking et al. (2004), in conducting research within a single case study firm, re-emphasized the specific nature of individual expatriate assignments, and called for a multiple case-study approach to examine the fulfilment of expatriate role objectives. Answering this call, in the process of examining the functions that AE managers performed, an identification of the micro-level activities pursued in the fulfilment of these roles was also pursued. Based on an analysis of the findings, the following processes in the below table were identified:

Expat Micro-functions	Description	Assignment Purposes	Example from data
Translator	interpreting different forms of MNC knowledge, policies, language and values within the local setting	KT, CC	“Whatever the strategy is or the big brand that comes out of corporate, my role is to make sure that that gets translated. And sometimes that’s very strategic work that I have to do because I have to think about well does eco-friendly mean...So what I had to do was go back and work with corporate to say of the thousands of products that we have it doesn’t make sense for a handful of those”
Mentor	Install/implement key firm processes and systems; Teach and advise local employees on use of new processes	KT, MD, CC	“I began involving him in areas that were outside his immediate area of responsibility. Very specifically, we were going through some contractual changes with one of our major suppliers of product so I got him involved in that and in other areas as part of the developmental aspect”
Apprentice	On-the-job managerial training, learning by observation, trial-and-error, critical incidents, cultural immersion	KT, MD	“There wasn’t specifically any formal training except the evolution and the maturity you get through the management of a team, being in a completely different environment with a completely different culture, the experience is the key lever to boost your maturity in your professional career.”
Investigator	Identify issues, opportunities and best practices within assigned unit; monitor the activities of local employees	KT, MD, CC	“You have to come here and come find it, which is part of the reason that I wanted to come over here because you get closer and now you see what’s going on. My role hasn’t changed but the only thing is now I am closer to the problem”
Fire-fighter	Address internal issues which threaten the operations and reputation of the firm	KT, CC	“If it continues and gets to the point where it’s negatively impacting our team’s productivity, then we’ll work with HR to start a disciplinary process and make sure that that person understands what’s needed and what we need from them and what we need from them to improve and that we want them to improve and to be successful
Coordinator	Facilitate team-working across global units; integrate global and local policies	KT, MD, CC	We’re trying to get more people going both ways so we get the teams to work together as opposed to working as two separate product groups...there are three of us right now that all really came over on a relatively short time span to merge the product groups together”

Ambassador	Promote and represent the interest of the firm within the local environment; model organisation culture for local employees	KT, CC	... typically these things tend to come up when we have a difficult conversation around certain topics and when we go through it and I always bring up the fact that well we're a values-based company so you know we're gonna do the right thing here and the right thing is this and that aligns with our value of this"
Internal Negotiator	Confer with various internal stakeholders on areas of concern; identify acceptable solution and gain buy-in	KT, MD, CC	"We spend allot of time internally selling things. Meaning well [employees saying]'I don't want to give up my little dinky system because...So you have to do allot of internal pitch work and negotiation even with my peers to say ok China I know you are really fond of what you are doing but they are doing it so much better than you guys over in Japan"
Networker	Engage (formally and informally) and build relationships with various internal and external firm stakeholders	KT, MD, CC	"So you go there you do a course and maybe a week and you meet people from different countries, from HQ and you get to see into different culture so every year every senior employee has to spend two or three weeks of training in HQ where he meets with other peoples."

Table 23: AE Managers' role processes within foreign subsidiaries

The above table identifies AE managers' role processes as translator, mentor, coordinator, investigator, fire-fighter, ambassador, internal negotiator, and networker. It is a significant departure from existing frameworks on expatriate purposes (e.g. Edstrom and Galbraith, 1977; Hocking et al. 2004). Whereas previous categorisations have outlined the purposes of expatriate assignments (Edstrom and Galbraith, 1977), and later the level of the organisation to which they apply, this study goes further by identifying the day-to-day activities and roles that managers assume, and which contribute to the achievement of expatriate managers' knowledge transfer, management development, and coordination and control functions. Moreover, as with table 18, it indicates the various functions to which the performance of the particular activity contributes. It must be acknowledged that the micro-level role processes that AE managers undertake may not be limited to these, but that these were the processes identified across the collection of firms within this specific study. The structure of table 19 was inspired by Johnson and Duxbury's (2010) study, which outlined several micro-level activities undertaken by expatriates (e.g. guard, shaper) when they acted in a boundary spanning capacity (p.34). However, while these researchers focused primarily on the interaction at inter-organisational boundaries, that is activities occurring between the expatriate and agents within the external subsidiary environment, the roles in the above table also encompass expatriate managers' internal-facing interactions, particularly with local employees within the assigned subsidiary. Nonetheless, parallels can be drawn as both frameworks

offer a categorisation of the processes involved in the fulfilment of the various expatriate roles, into several ‘conceptual bins’ (Miles and Huberman, 1994; Johnson and Duxbury, 2010). While several of these functions were found across the various companies interviewed, the combination of processes performed and how these processes are operationalised varied from expatriate to expatriate. Hence, it reiterates the views of past scholars, who believed that role processes are, ‘unique to the individual’ and ‘characteristically path dependent’ (Torbiorn, 1985; Barney, 1991; Hocking et al., 2004, p.566). It is also important to emphasize that the fulfilment of expatriate functions required the performance of not one but several of these activities during the course of any one assignment. The nature and importance of each of these roles will now be further examined.

9.4.2. AE Managers as Translators:

AE managers’ translation role involved the re-articulation, and in some cases alteration, of firm policies and work processes, as well as interpretation of local and parent-country language and cultural constructs (Tsui-Auch, 2001; Saka, 2004; Barner-Rasmussen et al. 2014). As M|NCs interacted with different cultural, organisational, and institutional systems, the adaptation of MNC practices, also referred to as ‘hybridisation’ is inevitable (Ferner 1997, 2000; Tolliday, 1998, p.4). Within the companies interviewed, AE managers performed several forms of translation within their local subsidiary environment. These processes included the translation of language, their company’s policies and strategy, and cultural values. Such translation related to several expatriate role objectives, including knowledge facilitation, knowledge diffusion, knowledge acquisition, standardisation of organisational processes, and increased coordination in global teams, and hence aided in the fulfilment of all three assignment purposes. This will become more evident with further explanation.

In recent times, several academics have highlighted the important role that language plays within the multinational context (Sorensen, 2005; Barner-Rasmussen and Bjorkman, 2007; Piekkari et al., 2014). Within the firms interviewed, language translation was observed primarily in MNCs from Japan and Spain, where PCNs and TCNs were sent to the UK offices in order to act as intermediaries between the global HQ and local employees, and in other cases headquarters and regionally-based clients. As translators, AE managers would act as interpreters, clarifying

information during conversations between their home office colleagues and local employees. In other instances, they helped to interpret written documents or monthly reports in order to ensure that there were no misunderstandings about local operations or performance. Translation occurred within all three of Piekkari et al.'s (2014, p.2) layers of language used within organisations, which included everyday spoken or written language, company jargon, a technical/professional language. As informal 'language nodes', (Feely and Harzing, 2003, p.16) noted that managers who possessed bi-lingual skills facilitated verbal exchanges and linked various organisational groups. The findings suggested that this role process has continued to grow in importance and was increasingly becoming more formalised, with this being the primary objective of some expatriate assignments.

In addition to the language translation, AE managers also engaged in the translation of company policies and procedures within the local subsidiary environment. While such policies and procedures were meant to increase global efficiency by reducing duplication across MNC units, the benefits of these could only be reaped if they were perceived as timely and or relevant to the local context. AE managers' ability to effectively articulate the essence of and rationale behind diffused practices and procedures, as well as draw upon their local knowledge to outline how they impact the wider organisational or institutional environment, may lead to an increased possibility of practices being accepted by local stakeholders (Feely and Harzing, 2003). In such instances, the home country and host country benefits from AE managers' cosmopolitan status (Stahl and Bjorkman, 2006), as knowledge and experience gained across several different institutional and organisational settings allow these assignees to reconfigure and utilise knowledge that is strategically valuable to the firm (Augier and Teece, 2009). In many cases, this role was performed in conjunction with internal negotiation where assignees sat together with various internal groups to discuss how the implementation of the particular home policy might occur within the context, and demonstrating how it could be incorporated into the strategic objectives of the subsidiary. In selecting managers for this role, however, there is a need to consider the motivations of the various parties involved. Indeed, Moore (2006), who also highlighted AE managers' negotiation role, stressed the need to consider individual motivations of managers, as her findings indicated that London-based PCNs used their positions as expatriates to advocate for their own personal self-interests.

The third kind of translation that managers engaged in was the translation of cultural elements

across different organisational and institutional contexts. Given their boundary spanning proclivities, AE managers are expected to possess a high level of cultural intelligence (Elenkov and Manev, 2009). Some AE managers interviewed, particularly PCNs, highlighted cultural differences between parent country cultural values and practices, and those within the UK environment, that sometimes resulted in misunderstandings. To illustrate, more than one manager within the two US major case study firms (ManCo, MedCo), and the Spanish financial firm, MonCo, explained that subtleties were often missed in conversations with their local colleagues, which often led to misunderstandings. One manager referred to the use of the term ‘I hear what you’re saying’, which was often interpreted by colleagues in the global HQ as acceptance of terms, where assignees based in the UK learned that it indicated disagreement with what was being proposed. Interviewees in other firms agreed with this and also explained that often key points being made in conversations were often overlooked as they were disguised in humour (e.g.H2, HealthCo). Within this setting, AE managers’ cultural cognisance and the capacity to communicate, interpret and respond appropriately was critical to ensuring that local employees had truly internalised HQ processes (Johnson et al., 2006; Elenkov and Manev, 2009). Indeed, Kostova (1999) distinguished between the ‘implementation’ verses the ‘internalisation’ of practices within the host country. Implementation referred to the formal adherence by local employees and stakeholders to the practices being transferred. Internalisation, however, addressed the cognitive and normative integration of practices within the local unit. This occurred when local employees attached meaning or infused value to the transferred practice.

The need for AE managers to act as translators, and their effectiveness in this role is regulated by several micro- and macro-level factors. At a micro-level, recent research in the boundary-spanning field has found that the cultural and language skills of the assignee were a key determinant of his/her boundary-spanning abilities (Barner-Rasmussen et al., 2014). This coincides with the findings within this present study as it was observed that managers who were sent for translation purposes were typically fluent in more than one language, with some managers speaking up to four languages outside their native tongue. In addition to this, the absorptive capacity of such individuals was another key factor (Barner-Rasmussen et al., 2014) At a macro-level, the organisational need for this particular function might be regulated by the extent of cultural distance (Kostova, 1999) between the MNC’s parent country and the country in which the manager was

assigned. Supporting this notion, this role process was particularly important and was a primary function of AE managers from Japanese and Spanish firms interviewed, who were based within UK subsidiaries.

9.4.3. AE Managers as Mentors:

AE managers' 'mentor' role process primarily refers to the assignee's efforts to identify and train local employees, and particularly his/her successor, while on assignment. As a mentor, the assignee's objective is to pass on his technical and managerial skills to the chosen local employee (s). This was achieved through formal and informal instruction, including one-to-one and/or group meetings and instruction, demonstration of work tasks, and shadowing. These processes typically occurred alongside each other, during daily interactions and performance of job roles, and also at set times for more formal training. With shadowing, the assignee may also arrange for the local trainee to accompany him/her to external engagements, as well as introduce the individual to key contacts across the organisation. For example, as mentors, AE managers within ComCo indicated that on a daily basis, they provided guidance to local or regionally-based employees on how to pursue cross-unit linkages and relationships. Managers who performed this particular role were typically middle to senior-level employees who have accumulated a significant amount of experience and expertise within the firm. The length of time for managers' international assignments was also influenced by this particular role objective. The importance of the assignment length was also confirmed by other researchers (Tobiorn, 1982; Janssen, 1995; Hocking et al., 2004), who noted that the achievement of assignment outcomes, particularly technical and people-related learning, was cumulative and based on the length of time that the expatriate spent on assignment. This was emphasized by several AE managers who were engaged in this particular role process. For example, the AE manager in Marketing within HunCo stressed that two or more years were required in order to realise and see evidence of behavioural change within the local subsidiary. Here the contribution of this function to socialisation of local employees, through the diffusion of organisational values, is also evident. The main reason for the length of time, according to interviewees, was the need to establish trust between the mentor and the mentees. In addition to trust between the assignee and local employees, the level of trust between the assignee and the assigning office or headquarters was also a crucial factor. Indeed, several studies on expatriate functions, alluded to trust being a key criterion in the selection of managers being sent abroad for

purposes of knowledge transfer and control (Edstrom and Galbraith, 1977; Harzing, 2001; Legewie, 2002), although there is still a need for more studies exploring the impact of trust on the achievement of expatriates' various objectives within local subsidiaries.

Assignees' mentorship role bares significant outcomes at various levels within the MNC. At an organisational level, it improves efficiency by reducing the cost of international assignments, as AE managers' posts could be filled by a local at the end of the stipulated time. Moreover, it facilitated increased organisational control via socialisation as the AE manager passed on the cultural values of the organisation, hence increasing the likelihood of local employees being trusted to effectuate various practices (Mtar, 2001). At a business level, the subsidiary benefitted from the diffusion of this expertise, as it no longer depended on expatriate managers for the particular skills set. Moreover, as skills were continually diffused at a local level, arising job roles or vacancies could be operationalised more quickly. At an individual level, this also extended career opportunities for local employees who might be chosen to fill more senior local roles. With regard to the individual assignee, engaging in mentorship facilitated the enhancement of manager's leadership skills, which was often measured through the achievement of pre-set goals, and in key performance indicators (KPIs). A good illustration of this could be seen within ManCo, where the financial comptroller stated that his effectiveness as a leader was assessed by demonstrating that he had met previously outlined goals, and by employee engagement scores which indicated his ability to effectively communicate with local employees. This example points toward the usefulness of exploring expatriate functions at a micro-level, as it draws attention to specific competences that managers developed while on assignment. The identification of such competences was needed in order to further advance the utility of expatriate management development literature, where only a few studies that actually provided examples of the specified career competencies (e.g. Culpan and Wright; 2002; Cappellen and Janssens, 2005, p.352).

9.4.4. AE Managers as Apprentices:

While assignees' mentoring role process reflected their roles as teachers within the local subsidiary, as apprentices AE managers took on the role of a student. This particular assignment pertains particularly to the management development function, as it describes how expatriate managers learned and were developed while on assignment. In addition to their more strategic roles, AE

managers were also engaged in learning and development, which was ongoing in the daily performance of their job tasks, interpersonal interaction with local employees and other stakeholders (e.g. suppliers, clients) and attendance at formal training workshops and events. With regard to their daily activities, the local subsidiary acted as a testing ground in which managers could sharpen their leadership and management skills, and gain experience of managing within a different cross-cultural setting. Indeed, several academics have observed that international assignments are one of the most efficient ways of achieving such developmental goals (Caligiuri and Di Santo, 2001; Carpenter et al., 2001). The international assignment context offered managers an environment where they were given increased organisational autonomy, and exposed to novel situations on a daily basis (Briscoe and Schuler, 2004; Jokinen et al., 2008). It is in this setting that managers increase their 'knowing how' career capital (DeFillipi and Arthur, 1994; Caligiuri and Di Santo, 2001). Various work-related skills and managerial competences were acquired through the process of trial-and-error, and interpersonal communications with various organisational groups.

Trial-and-error learning often occurred randomly and was the result of being confronted with different assumptions or expectations regarding approaches to working or building relationships (Kolb, 1984; Nonaka, 1994). Such learning also strengthened AE managers' 'knowing why' career competence as they begin to better understand their role and contribution within the firm as a whole. Where the manager is presented with uncertainty or a novel occurrence, they are challenged with trying to understand the nature of the situation and deciding on the appropriate course of action. It was these situations that Jokinen et al. (2008) described as mind-stretching experiences. Several examples of this are provided by interviewees who highlighted instances of initial frustration when interacting with local employees, and interpreting specific meanings and actions. As managers became more aware of what approaches or responses were more appropriate in specific situations, the process of double-loop learning (Argyris, 2000) occurred as assignees store this experiential knowledge for later use in similar situations.

The term apprentice has been chosen because the assignee's daily development is supported and supplement through the use of other organisational mechanisms, including dedicated mentorship and leadership workshops. The use of these varied from company to company, and was often influenced by the existence of a developed talent management structure, supporting Cerdin and

Brewster's (2013) call to link expatriation with talent management. With regard to mentorship, where company's expatriation program was linked to talent management, this provision was often built into the expatriate contract. The mentor was more often than not, the expatriate's immediate supervisor or an employee within the HRM department within the assignees' home country. Leadership workshops also tended to be, more often than not, based away from the local subsidiary, with managers travelling for short visits in order to attend and participate, thus developing their 'knowing whom' career capital (Capellen and Janssens, 2005; Defillippi and Arthur, 1994) as the opportunity to further extend professional associations. Having such mechanisms in place helped to ensure that the full development potential in international assignments were realised. Workshops and conversations with mentors allowed the expatriate to reflect on work behaviour and situational responses, and share and benchmark these with the experiences of other colleagues.

The absence of developmental support mechanisms had potentially negative consequences both at an individual and an organisational level. At an individual level, the feelings of frustration might be experienced by the assignee, who may struggle to identify where the assignment fits into his career progression. This was indicated by some AE managers within the two Spanish major case study firms, MonCo and ComCo, where it was expressed that managers were often left to chart their own career path. While some managers were unaffected by this, others expressed the desire for more support and information regarding the value of the assignment to their overall career goals (e.g. D5, CallCo). This lends support to Kraimer et al. (2009) findings regarding the advantages of having outlined developmental objectives, as it facilitated better mental preparation and openness to learning while in the subsidiary environment. Alternatively, in line with Jokinen et al. (2008), it can be argued that the lack of support mechanisms while on assignment allow the expatriate to benefit from the 'mind-stretching' experience, having been forced to find solutions to novel challenges. From an organisational perspective, a lack of support or direction towards reflecting on development might mean that a significant amount of tacit knowledge gained while on assignment is lost as time passes. Moreover, it becomes difficult to assess the extent to which AE managers' career competences have been developed, which competences were developed, and through what means these were enhanced.

9.4.5. AE Managers as Coordinators:

The 'coordinator' role process describes AE managers' role in creating knowledge partnerships, promoting increased knowledge exchange across different organisational units. This was done primarily by connecting individuals across subsidiary units and establishing specified organisational systems that would allow for better cross-unit teamwork. There were AE managers involved in such processes across almost all the firms interviewed, as such activities were particularly central to expatriate's knowledge transfer and coordination and control functions (Edstrom and Galbraith, 1977; Harzing, 2001; Hocking et al., 2004). A good illustration of this was provided by D6 in ComCo's subsidiary, CallCo, who was charged with creating guidance templates which outlined how team members within different subsidiary units might undertake cross-unit projects, and interactions with service providers. Indeed, several assignees within ComCo were involved in such activities, which was primarily due to various Pan-European knowledge-exchange projects being pursued. In other case study firms, the operationalisation of such guidance templates and systems were also being pursued by AE managers, with a focus on reducing duplication across the organisation.

The coordinator role process contributed primarily at the organisational level, and mainly facilitated the fulfilment of AE managers' KT and CC functions. By streamlining various subsidiary processes within and across subsidiaries, assignees helped to increased organisational efficiency and reduce operational cost. Ferner et al. (2006, p.318) observed that such standardisation of MNC processes promoted more consistent management across globally dispersed subsidiaries. Indeed, many assignees explained that they were in the process of setting up key HQ systems, including profit and loss (P and L) statements, marketing software systems, and product quality systems, to allow for better reporting and monitoring of subsidiaries' performance. In addition to the technical installation of these, assignees would also meet with their team and other employees within their departments to review the systems that were currently being used. This was then followed by the identification of duplicated processes, a comparison with the other centralised processes, and then a selection of those systems that were seen as most effective and cost efficient. Once this was done then, the AE managers guided local employees in how to transition from the old systems, and begin utilising the chosen systems. This reflected what Harzing (1999) referred to direct personal control, where expatriate managers helped to ensure that

HQ practices were being implemented in the way that they were intended, hence supplementing more impersonal control mechanisms within the subsidiary.

From the above, the overlap across the several role processes is clear, and hence the outcomes of the coordinator's activities were also dependent on the effective performance of other micro-level activities. For example, it was through various coordinating activities that managers were able to identify best practices within their globally dispersed subsidiaries. Here the coordinator role process overlaps with the 'investigator' role process, to be discussed in the following section, although the main objective of the coordinator is not to simply inspect processes, but to consolidate and harmonise repetitive processes. Illustrations of this can be found within the US firms, ManCo and MedCo, where AE managers interviewed stated that this was among their primary objectives. The 'internal negotiator', also discussed later, is also key to the effectiveness of coordinating activities, as local employees were not always so willing to abandon long used processes.

9.4.6. AE Managers as Investigators:

Applying the dynamics capabilities view at a micro-level, Augier and Teece (2009) posited that managers played an active role in evaluating opportunities, coordinating economic activities and integrating various firm assets. As experts in their field, trusted employees and global boundary-spanners (Au and Fakuda, 2002; Stahl and Bjorkman, 2006), one might expect that expatriate managers possessed the ability to sense and seize opportunities and identify new sources of knowledge across the firm (Chesbrough and Rosenbloom, 2002; Augier and Teece, 2009). The findings of this current study indicate that this was central to AE managers' 'investigator' role process within local subsidiaries, as they scanned these units for sources of best practices and new knowledge. This role was similar to what Ancona and Caldwell (1992) described as the 'scout', where assignees scoured the external environment for new information and ideas related to local competition, the market or new technology. In addition to this, assignees also sought to identify potential problems that existed within the local subsidiary and threatened to disrupt process efficiency. It also reflected Johnson and Duxbury's (2010) 'information gathering' and 'intelligence gathering' boundary spanning roles, where expatriate managers sought after information and new ideas (from external agents), that were needed in order to complete specific

task demands. The authors provided examples of how this was achieved, for example requesting an update about a specific file (Johnson and Duxbury, 2010, p.34). Similarly, as an investigator, AE managers sought information from both internal and external organisational stakeholders. In the example used in table 19, the manager from ManCo explained how being assigned to the particular UK head office provided him with a better understanding of problems encountered by his globally dispersed team. He was able to identify the specific problem through interpersonal interaction with local employees and local dealers.

AE managers' investigator role contributed primarily at an organisational and individual-level with the MNC. Hocking et al. (2004), in outlining expatriates' strategic assignment purposes, highlighted 'best practices systems transfer' as one of the key role objectives, which contributed to the development of the organisation. From a knowledge transfer perspective, the acquisition of local knowledge regarding specific macro- and micro-level challenges by assignees within the subsidiary environment, provided companies with a deeper understanding of the unique environment and allowed them to better leverage their systems and processes internationally (Kogut and Zander, 1993; Almeida et al., 2002). At an individual level, AE managers expanded their understanding of the specific organisational business context, and how it fit into the overall company structure and strategic objectives. This allowed for the development of 'knowing why' and 'knowing how' career competences (DeFillipi and Arthur, 1994; Capella and Jansen, 2005), as they enhanced their job-related knowledge, and learned to how to tailor their managerial practices to suit a specific local or cultural setting. Argote and Ingram (2000) believed that the results of this materialised in the employees' performance and experiences. Indeed, several AE managers interviewed, indicated that their presence within the specific UK location had resulted in better communication between the two offices, and, more specifically, a clearer understanding of the unique organisational challenges of the specific local market. Investigators acquired such knowledge through daily verbal and or electronic interactions with local employees and external stakeholders (e.g. dealers, suppliers, customers), where they might probe about the nature of local subsidiary processes and routines, and gain more insight into the specific needs of the local customer base. Following this, they would communicate this information (e.g. via telephone, tele-conference, or short visits) to their colleagues within their home office, or their global team, so that their firm might, where necessary, adapt or re-configure their operational or strategic approach

to better suit local requirements. Again the way in which this role process contributes to the achievement of several role objectives outlined in table 18 (including knowledge acquisition, knowledge facilitation, development of leadership skills, and enhanced professional networks) is illustrated. As such, all three expatriate purposes, knowledge transfer, management development, and coordination and control, are realised simultaneously.

9.4.7. AE Managers as Internal Negotiators

As previously highlighted in the examination of the coordinator role process, local employees were not always eager to abandon familiar practices and take up new practices. Hence, following the identification of duplicated systems and the selection of the most efficient processes, AE managers next undertook the process of gaining buy-in from local employees in order to implement these. AE managers' roles as internal negotiators referred to where assignees entered a discourse with individuals who were unclear about the need to abandon or amend existing subsidiary processes. While this process went hand-in-hand with assignees' translator role process, it is distinct in that it was also necessary where there was understanding around the new process, accompanied by outright resistance towards its uptake. During discussions, managers sought to convince these employees of the rationale behind the proposed systems as well as the benefits of their implementation. This process occurred both formally, through organised workshops on the specific system, or informally, through one-to-one meetings and daily interactions. Often, to convince employees of the merits of new processes, assigned managers selected and provide best practice examples from other global subsidiaries. This was seen within MedCo's UK subsidiary, HealthCo, where the marketing executive (R2), often used best practices examples from a well-performing subsidiary in China, to illustrate the merits of new process to local UK employees. Unlike the negotiation role identified by Johnson and Duxbury (2010, p.35), which primarily described expatriates' discourse with external agents, internal negotiation required AE managers to engage to ongoing exchanges with various subsidiary-based groups and individuals to explore the preferences and potential areas of agreement. In her study on the use of expatriate managers to gain social control in subsidiaries, Moore (2006) observed similar negotiating activities, where expatriates often acted as agents between different groups within the MNC. Where agreement could not be met, compromise between the different individual interests was also explored.

The negotiation role process of AE managers primarily facilitated knowledge transfer, and coordination and control purposes. With regard to the former, it helped to smoothen the dissemination of headquarter practices. As Kostova (1999) observed, the successful transfer of knowledge across borders is influenced by the relational context that is the existing relationships between the source of the knowledge and the recipient. Where the recipient, in this case local employees, were unclear about the impact of new knowledge or apprehensive about the uptake of new knowledge, then it was up to the AE managers provide a rationale or a strong case for the abandonment of existing processes for newer processes. One notable example of this was in MedCo, where the assigned marketing executive, who had been sent from the parent country to consolidate various organisational processes, explained that a key part of her daily activities was negotiating and ‘internally selling’ to local employees in her department. She provided a specific example of when local employees did not fully agree with the need for new HQ processes. To convince these individuals, this manager stated that she explained why the old system was not effective, and discussed and illustrated how newer processes fit into the subsidiary strategy, and facilitated better performance in other global subsidiaries. Once employees were on board, then the knowledge transfer process became smoother. One can see from this example the importance of individual level factors such as absorptive capacity and disseminative capacity (Szulanski, 1996; Gupta and Govindarajan 2000; Minbaeva et al., 2003) of AE managers involved in the articulation of new knowledge.

9.4.8. Assignees as Firefighters:

The role process of firefighting refers to when managers are forced to respond to situations that threaten to disrupt the work process within the subsidiary. The firefighting role differs from assignees’ ‘negotiating’ and ‘investigating’ role process, in that it described when AE managers acted in a reactive capacity to address specific behavioural problems at a subsidiary level. Where translation of policies and internal negotiation was not proving fruitful, the fire-fighting role process was another option. In many cases, these emerged as a result on recent or on-going changes in the structure of the organisation, and or attempts to replace local procedures or practices with more central processes. This role process helped managers to fulfil the knowledge transfer and coordination and control objectives of their assignment, for those who were sent for these purposes. Indeed, where resistance was being experienced in the process of standardising

organisational processes, AE managers were forced to take a harder line. Within the firms interviewed, some interviewees expressed that resistance had been experienced with local colleagues following the recent acquisition of a local business. Hesitation was due to several factors, including a lack of familiarity, resistance towards change, or concerns over diminished power or resources (Ferner et al., 2012). Such resistance led some writers to describe the host country context as a 'contested terrain' (Edward and Belanger, 2009), where groups at different levels compete to further their agenda (Ferner et al., 2012). Political behaviour emerging from within previously established network relationships at a local level can pose often pose a challenge in the integration and transfer process when individuals at a local level believe that their interests were threatened. Hitt et al. (1999), among others have attributed this to the fear of constraints being placed on resources within specific networks (Hitt et al., 2005). These writers highlighted such occurrences as possible negative consequences of social capital, which sometimes led to dysfunctional behaviour at a local level. Interviewees within the two Spanish major case study firms, highlighted this as a barrier to integrating new businesses into the existing organisational structure.

Assignees who were sent to fire-fight were typically trusted senior-level managers, who had been with the firm for a significant amount of time, and were typically 'ambassadors' of the MNC (Ancona and Caldwell, 1992). In circumstances where this role process was required, AE managers were sent in order to allay the fears of various internal groups, directly addressing those at the centre of the conflict, and communicating the rationale behind the new system and practices to be implemented. Where this is not effective, then it is up to these managers to determine the best course to action that would facilitate the change-over and integration process. This might involve one-to-one meetings with 'agitators' to address the presentation of dysfunctional behaviour, and where such meetings are unsuccessful, disciplinary action was also an alternative. One manager within MonCo, who had been assigned specifically for purposes of fire-fighting, had to take this course of action, being forced to let go a group of employees who were 'resistant to bringing the MonCo approach to London'. Two managers from within ManCo also stated that this role process was indeed an inevitable part of their role, where buy-in could not be gained for key organisational initiatives. Where the socialisation of local employees is crucial but not possible, then fire-fighting may become the necessary response.

Role processes such as assignees' internal negotiating and fire-fighting activities lends further understanding to how the daily performance of expatriate role processes contributed to the development of managerial competences, and hence also contributed to the management development function inadvertently. It also contributes to literature which seeks to identify how the daily performance of expatriate functions help to develop specific managerial skills similar to those identified in Culpan and Wright's (2002) study. Through addressing particularly difficulties within local employees in the host country, these assignees further enhanced their problem-solving skills. This could be seen as one of the specific skills making the 'knowing how' competency (DeFillipi and Arthur, 1994), as it was necessary throughout the course of the manager's working life (Jones and Lichtenstein, 2000; Inkson and Arthur, 2001; Parker, Khapova and Arthur, 2009).

9.4.9. AE Managers as Ambassadors

Another key activity undertaken by AE managers was the role of ambassador, which involved representing the company's brand, mission and values to those within the subsidiary and its local environment. This is a micro-level activity that was also identified by Johnson and Duxbury (2010), although these writers focused on expatriates' outward-facing roles occurring at inter-organisational boundaries, that is expatriates' interaction with external agents. This particular activity has been highlighted and supported by the boundary spanning literature (Ancona and Caldwell, 1992), where it was described as assignees representing the interests of the organisation to customers, procuring additional resources and protecting teams from external threats. Concurrently, several assignees, primarily within the major case study firms, were actively representing the organisation and increasing its local exposure. This was achieved through attendance at various organised external events, for example guest lectures, and building partnerships with local educational and or professional institutions. Such external activities provided AE managers with opportunities to represent the company's interest to local customers (Caligiuri, 1997; Ancona and Caldwell, 1992). Several examples of this could be found within the US firm, ManCo, where the assigned marketing manager, as well as the financial comptroller regularly attended locally organised dinners, talks and other events in order to be the face of the company.

In addition to external representation, assigned managers also represented the company and its

values internally. This was done on a daily basis through an actively articulating and displaying what the company stood for. The financial comptroller in ManCo also observed that key learning opportunities occurred particularly during critical incidents where employees were called upon to make a moral judgement. He provided an example of where he was with a local employee when a manager within a subsidiary in India was advising on how the company could avoid paying taxes. In the situation, this assignee who was expected to represent the company's value of integrity, commitment and teamwork, not only refused this offer, but made sure to explain to his nearby colleague why this decision was the right one to make. The acceptance of such values by local employees depended not only on consistency in displaying such behaviours, but also on the strength and maintenance of the interpersonal relationship created between local and AE managers, which some writers on boundary-spanning also saw as part of the assignees' ambassador role (Aldrich and Herker, 1977; Ancona and Caldwell, 1992; Caligiuri, 1997; Ancona and Caldwell, 1992; Johnson and Duxbury, 2010). As part of this role, assignees also helped to connect local managers and other employees with new external contacts, in order to provide additional access to information and resources (Hetrick 2002).

The above examples again illustrate how different assignment purposes might be fulfilled simultaneously on a daily basis within the subsidiary. As ambassadors, AE managers engaged in the transfer of the organisation's cultural values by overtly displaying and representing what the MNC stood for, to various internal and external stakeholders. In doing this, they not only facilitated knowledge exchange, but also aided the socialisation of local employees (Edstrom and Galbraith, 1977; Harzing, 2001). The embedding key organisational beliefs and values, according to Scullion and Collings (2011), was how these assignees helped their firms to achieve indirect personal control, as local managers learned and internalized functional organizational behaviours and rules for determining them. For such roles, MNCs typically sent very experienced AE managers who possessed a deep understanding of the firm's organisational vision and related policies.

9.4.10. AE Managers as Networkers:

AE managers' role as 'networker' in some ways is similar to their ambassador role, in that assignees are also involved in the cultivation of relationships, and increasing of key contacts across the organisation. In this way, Hetrick (2002, 343) also utilised the word 'networker' to describe

this particular aspect of assignees' boundary spanning role. In this present study, however, the term networker is used to draw attention to AE managers' efforts to increase their internal and external managerial and or professional contacts while on assignment. Where the separation lies is that as a networker, the assignees concentrates on extending his career contacts through attendance at internally organised events such as leadership development workshops, special networking events, and short-term training courses, and engagement with professional bodies. Roberts et al. (1998) described the latter as 'communities of practice', and agreed that interaction with these extended across global boundaries. While in some companies this was explicitly communicated objective, other AE middle-level managers indicated that it was unspoken yet expected by their organisations. Internal networking often required managers to travel to their home office or another selected organisational unit, to participate in the specified learning activity, and to mingle with peers from other units who worked within the same or similar professional roles. In many cases, these two things went hand-in-hand.

While promoted here as a part of the MD expatriate function, the extension of assignees' organisational networks facilitated the fulfilment of all three expatriate functions and contributed primarily at the individual and organisational level. In their 1977 study, Edstrom and Galbraith observed that expatriate managers were often used to create 'verbal information networks' across different organisational units. Since then, other researchers have underscored the value of these networks for the procurement of key information and types of knowledge (e.g. functional, technical, personal) (e.g. Martinez and Jarillo, 1991). For the individual assignee, this knowledge was particularly useful within their job role, as they could often get in contact with a colleague from another office to provide clarity or an answer to a specific job-related query. Moreover, through interpersonal interactions within these networks, managers learned not only to identify with employees from different cultural backgrounds, but also gained knowledge of organisational or industrial best practices from their colleagues around the globe. The responses from various AE managers interviewed, underscored the rationale and importance of building these networks, especially as it related to furthering their understanding regarding specific processes. In this way, this role process also aided in the enhancement of assignees' 'knowing how' and 'knowing who' competences, as they could now easily identify sources of key information across the MNC in less time, which aided in the fulfilment of their specific job roles. This might be among the reasons

that De Fillipi and Arthur (1994) described such networks as ‘career enhancing’ (p.320).

With regard to organisational level contributions, AE managers’ success in networking across the organisation meant that their company’s global headquarters gained various means through which knowledge could be acquired about the performance or activities with their globally dispersed subsidiaries. Indeed, the GMM within the fourth case study firm, ComCo, referred to the creation of such networks as ‘corporate glue’, where the assignee extended his new contacts to colleagues in his home office, so that they too could utilise these sources to acquire specific information. In this way, this activity facilitated what Edstrom and Galbraith (1977) described as the creation of ‘verbal information networks’ (VINs). Minbaeva and Michailova (2004) also emphasized the importance of information networks and inter-unit communication channels in ensuring organisational strength. The MD in ManCo provided a good illustration of this, where he referred to how contact with a Russian colleague while on assignment provided legal expertise on an issue that could have potentially have created a problem for the MNC. Interpersonal interaction with peers also helped to strengthen the feeling of belongingness and commitment to the organisation, as assignees bonded over collectively shared organisational values (Edstrom and Galbraith, 1977; Martinez and Jarillo, 1991). Jaeger (1983, p.1) also noted that compliance was based on implicit internal company-wide culture where power and authority was grounded on organizational customs and traditions. The social capital literature, however, warned of the dangers of creating exclusive organisational networks, as these might become self-reinforcing and lead to path-dependency over time, as well as subject to political behaviour which might lead to the restriction of resources by some network individuals (Hitt et al., 2005).

9.5. Summary:

This chapter has sought to analyse the findings of interviews conducted with both the major and minor case study firms interviewed, in order to answer the key research questions. In seeking to identify the usefulness of existing frameworks for the analysis of expatriate managers’ functions, it has found that while Edstrom and Galbraith’s (1977) three functions (knowledge transfer, management development and coordination and control remain robust, this aged framework does not adequately reflect how international assignments are operationalised in practice. Hocking et al.’s (2004) framework has brought significantly more understanding to what these functions

achieved and how assignments were utilised by indicating the multi-faceted nature of these assignments and the level of the firm at which they contributed. Several findings in this current study confirmed the suppositions of this 2004 study. In line with this and other studies, it was also acknowledged that each expatriate assignment is unique and path dependent, and influenced by a number of individual, environmental and organisational level factors. Particularly, it was found that AE managers were assigned for several functions at once, and while they were sent for a combination of knowledge transfer, management development, and or coordination and control purposes, the focus on specific objectives related to these functions varied from assignment to assignment. Hence, the objectives of two managers sent for knowledge transfer and coordination and control purposes, may vary significantly and emphasize different outcomes. Be that as it may, it was noticed that some firms from specific countries (e.g. Spain, Japan) displayed particular traits in the utilisation of expatriate assignments.

With regard to the fulfilment of the three expatriate functions simultaneously, it was found that this was an area that has been under-examined within the international business literature. It was observed that the reason for this might be the firm specific nature of these functions (Tobiorn, 1994; Hocking et al., 2004). However, an analysis of data from a cross-section of MNCs, indicate that some common activities could be identified as contributing to the fulfilment of assignment purposes. These micro-level activities were referred to in this chapter as role processes, and were operationalised and combined in different ways across individual firms. These role processes included the translator, mentor, apprentice, coordinator, investigator, internal negotiator, fire-fighter, ambassador, and networker. A brief description of these, what they entailed and how they contributed within the MNC was also provided within this chapter. Based on the analysis and discussion provided in this chapter, the following chapter will go on to draw conclusions in this study.

CHAPTER 10: CONCLUSION AND CONTRIBUTION

10.1. Introduction

This research study has sought to explore the nature and use of expatriate assignments by MNCs within the current business context, and examine the extent to which existing theoretical frameworks on expatriate use adequately portray the reality of how these assignments are undertaken within foreign subsidiaries. To achieve this, it has pursued four different objectives. Firstly, it sought to identify the functions of AE managers within the foreign subsidiaries and explore the extent to which these functions are inter-related. Secondly, it aimed to examine the extent to which existing frameworks on expatriate use adequately reflect the use of international management assignments by MNCs. Thirdly, it sought explore the micro-level activities that contribute to the fulfilment of AE managers' functions. Finally, it set out to explore the extent to which the roles of AE managers are shaped by wider organisational and environment factors within the MNC context. Using the findings of the research interviews in conjunction with the most relevant literature related to expatriate functions in MNCs (See Chapter two), these objectives will be addressed, in the order in which they appear above, in the below sections. Following this, the researcher will go on to highlight the key contributions of this research, as well as the implications for managerial practice. Finally, attention will be drawn to the key limitations of this study, and recommendations for future research will be put forward.

10.2. Addressing the Research Objectives:

10.2.1. To identify the functions of AE managers within the foreign subsidiaries and explore the extent to which these functions are inter-related

Chapter two of this study offered an in-depth and critical look into key literature and theoretical models on the functions of expatriates in foreign subsidiaries. Particular attention was paid to the seminal work of Edstrom and Galbraith (1977), who identified expatriates' three main functions as knowledge transfer, management development, organisational development, also referred to as coordination and control. Subsequent studies have indicated that these functions remain the three main purposes for the use of expatriate assignments within the foreign subsidiaries of MNCs. The empirical data in this current study has also supported the use of expatriate managers for these three reasons, with both global mobility organisers and AE managers stating that they were sent for these purposes. AE managers were typically sent to perform a combination of these functions at once, although the focus of each expatriate assignment on any one assignment varied from

assignee to assignee. Regarding the varying focus of individual assignments and the combination of functions that assignees performed, this was determined by the several role objectives related to the three main expatriate functions.

Because the role objectives pertained to more than one function, expatriate managers were depicted as undertaking three combinations of the functions identified by Edstrom and Galbraith (1977) (See table 18). The first combination was included 'KT, MD, CC' with associated role objectives of knowledge dissemination and acquisition, standardisation of processes, direct monitoring, and leadership development. Where AE managers were sent to perform this combination of functions, the assignment contributed at the business, individual and organisational levels. The second combination, 'KT, MD' referred to assignments primarily focussed on management development. These assignments also contributed at all three levels (business, individual, organisational), however the primary role objectives were knowledge acquisition and leadership development. The third combination of functions identified was the 'KT, CC', for which the primary role objectives consisted of knowledge dissemination and acquisition, knowledge facilitation, and the socialisation of local managers. Assignments for this combination of reasons contributed primarily at the business and organisational level. The three combination of functions created recognises the observation of past researchers (Hocking et al., 2004) that knowledge transfer is inherent in each expatriate function. Indeed, although some expatriate assignments did not have knowledge transfer stipulated as a main objective, knowledge transfer occurred inadvertently in the pursuit of several assignment objectives.

10.2.2. To examine the extent to which existing frameworks on expatriate use adequately reflect the use of international management assignments by MNCs

Based on a review of the literature and the findings presented in this study, it became clear that the functions outlined in Edstrom and Galbraith's framework remain robust. Be that as it may, it was also observed that the 1977 framework itself did not offer a full depiction of the occurrence of these functions, particularly as it related to the overlap and strategic value inherent in these roles. More support was found for Hocking et al's (2004) re-categorisation of these functions, which highlighted expatriate's role objectives (also referred to as 'role focus' or 'role mandates'), and lent further understanding to the strategic value and the knowledge transfer element inherent in all

of three functions. It was found that while each of the three main expatriate functions are distinctive in their own right, knowledge transfer took place, both intentionally and unintentionally, within every assignment. Moreover, it was found that, in most cases, managers' assignments focussed on more than principle function (e.g. knowledge transfer, coordination and control) at once. The extent of knowledge flow that occurred in each assignment, and the direction of that flow, was largely dependent on that particular function or functions that the international assignment was focussed upon. For example, where the assignment was concentrated on knowledge transfer and coordination and control, there was significantly more knowledge flowing from the direction of the home office into the local subsidiary. Where the focus of the assignment was knowledge transfer and management development, there was significantly more knowledge flowing in both directions between the home and the host country.

While Hocking et al.'s (2004) framework offers a fuller depiction of the functions performed by AE managers, the framework created in this present study departs in two key ways. Firstly, whereas the 2004 framework has portrayed the strategic assignment purposes as business applications, this study has represented assignment purposes as distinct from that their levels of application. This was done primarily to offer a clearer picture of the multi-faceted and messy nature of international assignments, by indicating how an individual assignment served different purposes and objectives at once. Hence, expatriate assignment purposes were instead depicted in three different combinations of the expatriate functions (See Table 18). It also further highlights the direction of knowledge flow within each expatriate assignment. Secondly, this study's framework has also outlined several role processes undertaken by AE managers while on assignment (See Table 19). It is believed that including role processes in a framework on expatriate functions is necessary as it lends further understanding to how functions contribute at different levels, overlap, and are fulfilled within the local subsidiary. While agreeing with past writers about the unpredictable and path-dependant nature of expatriate role processes (Torbiorn, 1992; Harzing, 1999; Hocking et al., 2004), a multiple-case study approach across a variety of MNCs from different countries, sectors and sizes have indicated that a number of individual-level activities can be identified as contributing to the attainment of AE managers' objectives. How these processes are performed are believed to be distinctive to the individual assignee. The role processes outlined in Table 19 are the activities that AE managers in this study stated that they undertake on a daily basis or over the

course of their international assignment in order to accomplish the role objectives stipulated by their organisations. In saying this, it is acknowledged that the combination and number of role processes performed by AE managers, are shaped by several individual, organisational, and environmental related factors. Nonetheless, it is believed that an indication of these processes into a framework on expatriate use would allow for more practical understanding of how AE managers' subsidiary-level roles contributes strategically across the MNC.

10.2.3 To explore the micro-level activities that contribute to the fulfilment of AE managers' functions

As stated above, in examining the nature and functions of expatriate managers within foreign subsidiaries, a number of micro-level role processes which contributed to the fulfilment of AE managers' functions were identified in this study. These role processes (outlined in table 19) depicted the expatriate manager as a translator, mentor, apprentice, coordinator, investigator, internal negotiator, fire-fighter, ambassador, and networker. AE managers performed a number of these processes at once, and the combination of role processes that were performed were determined by the purposes of the assignment, along with its particular role objectives. As a translator, the AE manager adapted, interpreted and re-articulated organisational policies, processes and values in a way that made these more understandable to colleagues within his home office and within the local subsidiary. These managers were also involved in the interpretation of organisational jargon and cultural concepts and language at a local level. This was done by acting as a mediator during conversations, phone calls or other forms of communication within and between the home and host country units. As a mentor, assignees primarily engaged in knowledge transfer through passing on their functional and managerial expertise to local employees. This was done through one-on-one instruction, group meetings and training workshops, demonstration of work tasks, and shadowing. Some of these processes occurred side-by-side, during daily interactions and performance of job roles, and also at set times for more formal training.

AE managers' role as apprentice particularly highlighted their management development through the expatriate experience. Learning and development was on-going and took place during the daily performance of their job tasks, interpersonal interaction with local employees and stakeholders, and in many cases alongside more formal arrangements such as training workshops and events. Confirming the position of other writers, the local subsidiary typically acted as a testing

ground where managers developed their leadership and management skills, and acquired experience of managing within a different cross-cultural setting. The coordinator role, on the other hand, was more centred on their knowledge transfer and coordination and control role objectives, as assignees' efforts were focused on connecting individuals across different subsidiary units establishing organisational systems that would facilitate better cross-unit teamwork. This role also involved setting up key HQ systems (e.g. P and L statements, product quality systems) that would allow for better monitoring of subsidiaries' performance, as well as meeting with their team and other employees within their departments to review existing systems, in order to identify and eliminate duplicated processes.

As an investigator, AE managers scanned the local subsidiary and its context for sources of best practices and new knowledge. Similar to Ancona and Caldwell's (1992) 'scout' role of the boundary-spanner, and Johnson and Duxbury's 'information' and 'intelligence gathering' roles, assignees would search the external environment for new information and ideas related to local competition, the market or new technology. Within the subsidiary itself, assignees sought to detect potential problems that threatened to disrupt performance or efficiency. To do this, they often sought information from both internal and external organisational stakeholders at a local level. As an internal negotiator, AE managers sought to gaining buy-in from local employees who were apprehensive about the uptake of newly implemented processes. This required a discourse with individuals who were unclear about the need to abandon or amend existing subsidiary processes. It is closely linked with assignees' translator function, but distinct in that it was also required where there was understanding of the new process, but subtle or outright resistance to its uptake.

Where translation and internal negotiation was unsuccessful, AE managers were also required to act as firefighters. Here, managers acted in a reactive capacity to address distinct behavioural issues within the local subsidiary. A key part of managers' knowledge-transfer and control functions, firefighting often followed changes in organisational structure, where attempts were being made to replace local procedures with more central processes. This role process involved one-to-one meetings with local agitators to address dysfunctional behaviour, and where these meetings are unsuccessful, assignees might also seek disciplinary action using local HR support. Another key role process that carried by AE managers was the ambassador, where they represented their company's brand, mission and values to those within the subsidiary and its local

environment, in order to increase local exposure and enhance the firm's access to additional resources and opportunities. The ambassador role involved expatriate managers attending various organised external events (e.g. guest lectures), and building partnerships with local educational and or professional institutions. This role process was also identified in the boundary-spanning literature with past writers indicated that these endeavours granted assignees opportunities to represent the company's interest to local customers (Caligiuri, 1997; Ancona and Caldwell, 1992; Johnson and Duxbury, 2010).

The final role process identified was that of the networker, which was similar to assignees' ambassador role. However, while the ambassador role was concentrated on building internal and external relationships primarily for organisational development purposes, the networker role process highlights managers' efforts in establishing professional contacts across the organisation. The creation of such contacts, while also serving organisational purposes, aided in increasing assignees' organisational exposure and thus extending their career opportunities. These involved managers not only interacting with local colleagues, but also attending internally organised events (e.g. leadership development workshops, networking events, training courses), and engaging with professional bodies in their respective disciplines, or what Roberts et al. (1998) termed as 'communities of practice'.

10.2.4. To explore the extent to which the roles of AE managers are shaped by wider organisational and environment factors and changes within the MNC context

This study also aimed to highlight key factors within the MNC's internal and external context that helped to shape the use of international assignments. This objective was met through asking interviewees (AE managers and global mobility organisers) within major and minor case studies about the reasons why managers were assigned to specific subsidiaries, what influenced the length of time for which they were assigned, and what changes had they noticed in the nature of expatriation during their time with the firm. To agree with past writers (Torbiorn, 1992; Hocking et al., 2004), it was found that the purposes for which international management assignments were utilised were influenced by a number of individual- and organisation-level factors, as well as factors within the local subsidiary environment. This was among the reasons why no two expatriate assignments were exactly the same, despite having some common role objectives.

At the organisational level, one key influence was a change in the company's organisational structure, particularly resulting from a merger or acquisition within the local subsidiary environment, as MNCs sought to integrate new acquired business into the organisational culture and work approach, supporting past findings (Edstrom and Galbraith; 1977; Bartlett and Ghoshal, 1989; Delios and Bjorkman, 2000; Colakoglu and Caliguiri, 2008). In addition to such structural change, size and performance of the subsidiary also helped to determine the level of international staffing within MNCs, with more AE managers typically being used in large and strategically important units. Most notable was the influence of the presence of regional headquarters on the direction of expatriate flow, and the type of expatriate used. It was found that an increase in the formation of regional headquarters had contributed to the increased use of TCNs, where PCNs would have traditionally been assigned. Indeed, several global mobility organisers indicated that their firm was increasingly moving away from a more ethnocentric approach to expatriation, towards a more region-centric approach (Heenan and Perlmutter, 1979). It was found that increased business growth in regions such as Asia Pacific, and EMEA were leading firms to pursue regional organisation in order to facilitate quicker decision-making and better responses to the unique customer demands and market requirements. These headquarters spurred an exchange of international assignments among units in the specified region, as these offered enhanced opportunities for subsidiary employees in nearby countries (Verbeke and Luxmore, 1990), and also allowed firms to bridge the knowledge gap across these regional subsidiaries.

At an individual level, it was found that the decision to send AE managers abroad was influenced by the level of absorptive and disseminative capacity (Szulanski, 1996; Gupta and Govindarajan 2000; Minbaeva et al., 2003) that they possessed, which was indicated by their level of functional, managerial and technical expertise (absorptive), as well as their motivation and willingness to undertake to undertake the specific international assignment (disseminative). Many of the firms interviewed attempted to gauge these attributes during the selection phase through identifying high-potential and experienced employees, and, in some cases, having employees indicate their interest in undertaking international assignments. The role processes identified further highlighted the reason for this selection criteria. For example, key selection criteria for those managers engaged in language and policy translation were their bi- or multi-lingual proficiency (Barner-Rassmussen et al., 2014), as well as their accumulated knowledge and trust within the specific company. Some

managers were also selected based on their accrued social capital across the organisation, which aided those who acted as networkers, or coordinators while on assignment.

Finally, at the environmental level, the extent of cultural distance between the MNC's parent country and the host country also helped to shape the nature of expatriation within some of the firms interviewed, supporting past research findings (e.g. (Boyacigiller, 1990; Gaur et al., 2007; Colakoglu and Caliguiri, 2008). This was observed mainly within the Spanish and Japanese case study firms, which used a larger number of senior-level PCNs in the firms' UK subsidiaries. Within the Spanish firms, where TCNs were used, it was those who were from regions of a similar culture (e.g. Latin America), or those who had some background knowledge and experience of the parent country. In the Japanese firms, PCNs were primarily utilised at a senior level, not only for centralised control (Gaur et al., 2007), but increasing for knowledge acquisition and management development. This was due to the recognition of the need to need learn more about different cross-cultural approaches to management and work.

10.3. Theoretical Contributions and Implications

This study has three main theoretical contributions. Firstly, it has created a framework on expatriate use, which clearly outlines the overlapping nature of expatriate functions (See table 18). It has been acknowledged in past literature that expatriate managers are typically sent to foreign subsidiaries to perform more than one strategic purpose, and that these functions are inter-related (Edstrom and Galbraith, 1977; Torbiorn, 1984; Hocking et al., 2004). However, few studies have highlighted the nature of this overlap in developed frameworks. Rather, the functions outlined are often depicted independently. While agreeing that three functions outlined by Edstrom and Galbraith (1977) (knowledge transfer, management development, coordination and control) are distinct functions in their own right, there is a need to recognise the overlap that occurs in the fulfilment of these roles as it would provide a more accurate portrayal of how these assignments are utilised by MNCs. Through re-defining the 1977 framework according to the functions business-, expatriate- and organisation-level applications, the work of Hocking et al. (2004) has further enhanced understanding around the strategic contribution and inter-related nature of these functions. Building on this, the present study goes further by distinctively outlining expatriate managers' assignment purposes in a combined form, to recognise the observation that expatriate

managers are never sent to perform one function at a time. Unlike Hocking et al. (2004), it has also distinguished between assignment purposes and their principle applications with the MNC, to further indicate how one international assignment can fulfil several organisational objectives at once.

The second major contribution of this study is that it is among the few that have drawn attention to how expatriate managers' functions are performed in practice at the micro-level. While some micro-level categorisations can be found with the boundary-spanning literature, these centre on expatriate teams (Ancona and Caldwell, 1992), and assignees' functions at the level of the boundary (Johnson and Duxbury, 2010). This present study has identified the individual-level activities that AE managers perform within the subsidiary and its local environment, in order to fulfil the purpose for which they were sent. More specifically, it is the first study to create a framework on the use of international assignments which has included expatriates' micro-level activities and indicated how these activities contribute to the fulfilment of the assignment functions and role objectives. This is an area where there has been little theoretical advancement, primarily because of the distinctive and unpredictable nature of individual expatriate assignments. Nonetheless, having conducted a multiple case-study approach and spoken with AE managers and or global mobility organisers within a wide cross-section of MNCs, it is believed that some common activities which lend to the accomplishment of expatriate goals can be identified. The recognition of such micro-level activities provides a deeper understanding into how expatriate functions are performed in practice, and allows for further research on how managers might be better prepared for assignments with specific role objectives related to the three main expatriate functions. Moreover, it allows for a better understanding of how these assignments facilitate management development, particularly the development of specific competences and skills that are deemed to be necessary in a dynamic and complex international business environment marked by ongoing environmental and organisational change. It is here that talent management and the provision of leadership development mechanisms are particularly important. Where managers are aware of the specific developmental intentions of the expatriate assignment, they could adjust the frame of mind to better evaluate and facilitate more career-enriching outcomes (Kraimer et al., 2009; Collings, 2014). Hence, reflection and awareness of knowledge acquisition as a key assignment role objective can serve both individual and organisational purposes.

Finally, this research has highlighted the impact on factors within the changing global and multinational context, on the use of international management assignments within foreign subsidiaries. More specifically, it is among the few studies that has sought to examine the impact on regional structures on what expatriate managers do in these global units. While studies have examined the impact of regional structures on MNC control in foreign units, there has been a paucity of research exploring expatriates' involvement in this process. It has been observed that while the regionalised strategies of MNCs present crucial implications for academic research and management practice, this particular area remains significantly under-researched (Piekkari et al. 2010; Alfoldi et al., 2012; Amahn et al. 2014). With MNCs increasingly pursuing these structures (Ambos and Schlegelmilch; 2010), which are said to possess distinctive capabilities and resources and facilitate customer needs in specific geographic zones (Scholte, 2005; Rugman and Verbeke, 2003; Rugman and Collinson, 2005; Rugman et al., 2011), it is important to understand the roles that AE managers play in the management and decision-making process in these units. Indeed, by highlighting the impact of changing organisational structure on expatriate use, further attention is drawn to the changing nature of the headquarter-subsidiary relationship, as well as how organisational control have can achieved in a more decentralised manner.

10.4. Research Limitations

Despite attempts to ensure academic and empirical rigour in conducting this study, it is not without its limitations. Among the key issues faced when conducting this study, was the varying and limited access within the chosen MNCs, and its impact on the research sample size. Whereas some organisations offered significant access and information, other firms were more apprehensive about revealing the identity of their expatriate managers or indicating any disharmony of objectives between their organisational units. This effected not only the number of interviews that could be gained within organisations, but also the length of some interviews offered, particularly within some of the minor case-study firms. Moreover, whereas follow-up interviews were gained in all of the major case-study firms, only a few follow-up interviews were gained within minor case study firms. Another challenge faced in this study, was with the transcription of interviews from non-native English-speakers. This issue was faced mainly within the two Spanish major case study firms MonCo and ComCo, where one interview from each firm could not be transcribed in its entirety because interviewees' thick accents were difficult to understand at some points. As a result,

despite several replays of the interview recording, there were some sentences where the words could not be identified.

Another limitation was that the majority of the interviews were conducted with interviewees within the one specific subsidiary context. Only a few interviews were gained with global mobility organisers within the home country of the chosen MNCs. While subsidiary-level interviews particularly with AE managers allowed for an in-depth exploration into expatriate functions within these units, interviews with GMMs within the global headquarters of firms would have further enhanced understanding regarding the MNC's rationale for using international management assignments, and where the organisation believed that these assignments primarily contributed. Moreover, it would have been interesting to compare the rationale of Global GMMs with that of locally-based GMMs or HRDs within the UK context, in order to highlight any disparities in headquarter and subsidiary views. Regarding the use of the UK context as the location of research, this choice was made because of more practical reasons including the location of the researcher, the convenience and cost of conducting face-to-face interviews, and the challenges of gaining access into global headquarters. The study would have been even more informative if interviews could also have been conducted within other subsidiary environments, particularly within emerging markets in order to fully understand how AE managers undertake their functions in less familiar and transitional institutional contexts.

10.5. Future Research

10.5.1. Further investigation in the micro-level role processes undertaken by AE managers

While nine separate role processes have been identified in this study as contributing to the fulfilment of expatriate functions, it is possible that there are other contributing micro-level activities that have not been identified within this study. Future research might seek to identify other micro-level activities that also facilitate the execution of expatriate functions. Moreover, research is needed on what skills and competences are needed by expatriate managers in order to be effective in the performance of these roles. Managers' effectiveness in these roles, as indicated in the discussion chapter, might be influenced by their level of absorptive and disseminative capacity or accrued social capital. One might further investigate the relationship between assignees' role objectives and the combination of role processes that lead to the achievement of these objectives.

Additionally, further analysis might reveal that the role objectives and associated role processes influences disparities between the lengths of individual expatriate assignments. Such research must be undertaken with caution, however, as it is believed that no two expatriate assignments are alike, and the operationalisation of role processes might vary significantly from individual to individual. Nonetheless, it is worth undertaking further research that might be capable of confirming the occurrence of these role processes and investigate other individual-level activities that are undertaken by AE managers within the local subsidiary.

10.5.2. Larger sample size, including subsidiaries based within both developed and emerging economies

This study has sought to bring further understanding to the nature and use of expatriate assignments within the foreign subsidiaries of MNCs. More specifically, it focused on the use of assigned expatriate (AE) managers within the UK subsidiaries of these companies. However, it is believed that this line of research can be further informed through qualitative research using a larger sample size and collection of interviews across a much wider cross-section of subsidiary units. Indeed, it is believed that the unique and transitional context of emerging economies might result in an emphasis being place on particular expatriate role objectives within the three main functions. Moreover, it might be that the combination of expatriate role processes performed are influenced by the particular cultural setting, with more emphasis being placed on certain processes within a specific subsidiary context. In this study, a few GMMs also revealed that expatriate managers are also used to shape the local institutional setting in order to secure future labour and resources (field structuration: Manning et al., 2012), however none of the interviewees were undertaken this role. Future studies might seek to gain interviews with AE managers in subsidiaries within emerging economies, to examine the extent to which this particular role objective is pursued.

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APPENDICES

APPENDIX 1: RESEARCH ACCESS LETTER

APPENDIX 2: DATA DISPLAY TABLE

APPENDIX 3: LOOSE CODING STRUCTURE